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10 January 1984

# East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

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10 January 1984

## EAST EUROPE REPORT

### ECONOMIC AND INDUSTRIAL AFFAIRS

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## INTERNATIONAL AFFAIRS

## YUGOSLAV-BULGARIAN COMMODITY LISTS, 1981-1985

Belgrade MEDJUNARODNI UGOVORI in Serbo-Croatian No 8, 7 Oct 83 Sluzbeni List SFRJ pp 241-249

[Trade agreement between the SFRY and Bulgaria covering the period 1981 to 1985, signed in Belgrade 16 March 1981, which took effect 21 October 1981]

[Excerpt] List A/1981-1985. Exports From the People's Republic of Bulgaria to the Socialist Federal Republic of Yugoslavia

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
1	Components for fork lift trucks, electric tractors and electric cable cars, thousands of dollars	5,150	5,550	6,100	7,410	7,900
2	Spare parts for fork lift trucks, electric tractors and electric cable cars, thousands of dollars	850	1,040	1,530	1,550	1,890
3	Replaceable forks for electric fork lift trucks, thousands of dollars	6	9	14	20	25
4	Turntables for trailers and parking stands for semitrailers, thousands of dollars	730	890	1,090	1,330	1,620
5	Bearings, thousands of dollars	150	200	200	250	250
6	Bridge, cantilever and tower cranes, including production through industrial cooperation, thousands of dollars	530	1,550	1,850	2,550	3,500
7	Equipment for production of bread and other baked goods, thousands of dollars	300	300	600	650	650

## List A (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
8	Greenhouses with an area of 6 ha, units	7	7	7	7	7
9	Woodworking machines (KP-260, KP-261, STU-630), thousands of dollars	500	600	700	800	1,000
10	Metal-working machines, woodworking tools, abrasive tools and equipment for metal-working machines (electromagnetic chucks and other gear for lathes), thousands of dollars	250	300	350	400	500
11	Metal-cutting machines, thousands of dollars	2,000	4,000	6,000	8,000	10,000
12	Forging presses, thousands of dollars	500	600	700	800	1,000
13	Hydraulic and pneumatic devices and parts, thousands of dollars	1,000	2,000	3,000	4,000	5,000
14	Complete production lines for filling and dispensing beer, alcoholic beverages and mineral water, lines	2	2	3	3	3
15	Production lines for clear and thick juices, lines	2	2	2	3	3
16	Egg-grading and packing lines, lines	2	3	3	3	4
17	Primary tobacco processing lines, lines	1	1	1	1	1
18	Complete warehouses with automatic control, units	1	2	3	4	5
19	Metal structures (industrial shops), thousands of dollars	10,000	5,000	5,000	5,000	5,000
20	Agricultural machines, equipment and parts, thousands of dollars	4,000	5,200	6,200	7,000	7,600
21	Castings and forgings for the production of fittings, tons	500	2,000	2,500	3,000	3,000
22	Plumbing fittings (stop valves, shower pipes, soda water bottles, etc.), thousands of dollars	500	500	500	500	500

## List A (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
23	Inoculants for gray cast iron, thousands of dollars	40	60	80	120	120
24	Machines for cleaning castings, thousands of dollars	170	500	1,000	1,200	1,200
25	Special machines for grinding cylinder heads and blocks, thousands of dollars	200	300	300	300	300
26	Installations for regeneration of sand, thousands of dollars	--	40	40	80	80
27	Casting machines with counterpressure, thousands of dollars	--	400	400	400	600
28	Sealed units for refrigerators with capacities from 2.5 m <sup>3</sup> /hr to 8.1 m <sup>3</sup> /hr for low and high temperatures, thousands of dollars	1,450	2,250	3,000	4,300	5,000
29	Sealed compressors for Model KK-6 air conditioners, thousands of units	7	7	7	7	7
30	Semisealed units for refrigerators with capacities of 16 and 32 m <sup>3</sup> /hr (AP-701 and AP-930) for moderate temperatures, units	300	350	400	450	500
31	Refrigerated storage facilities, through industrial cooperation, units	--	2	2	2	2
32	Equipment for the trade sector (refrigeration, heating and neutral), thousands of dollars	2,000	2,000	2,000	2,000	2,000
33	River vessels repairs, thousands of dollars	1,000	1,000	1,000	1,000	1,000
34	Parts for automatic switches and other low-voltage devices, thousands of dollars	1,400	2,500	3,100	3,600	4,500
35	Parts and high-voltage switches, thousands of dollars	--	--	600	700	800

## List A (continued)

No	Commodity Designation	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
36	Transformers and parts for transformer voltages up to 220 kv, thousands of dollars	500	1,000	1,000	1,000	1,000
37	Regulators, electric motors and parts, thousands of dollars	2,500	1,500	1,500	1,500	1,500
38	Al-Fe conductors, equipment and other supplies for complete electric power facilities, thousands of dollars	1,000	1,000	1,000	1,000	1,000
39	Electric power units, thousands of dollars	1,500	1,500	1,500	1,500	1,500
40	Cables and conductors, thousands of dollars	100	100	100	100	100
41	Radios and television sets, through industrial cooperation, thousands of dollars	1,000	1,500	2,000	2,500	3,000
42	Insets for telephones, boards, relays, etc., through industrial cooperation, thousands of dollars	120	130	140	160	200
43	Active and passive electronic elements and materials, through industrial cooperation, thousands of dollars	200	300	350	425	500
44	Household appliances, through industrial cooperation, thousands of dollars	1,500	1,700	1,900	2,000	2,500
45	Production of washing machines through industrial cooperation, thousands of dollars	1,000	1,200	1,400	1,500	2,000
46	Medical devices and apparatus, thousands of dollars	700	700	700	700	700
47	Resins for insulation, thousands of dollars	300	300	300	300	300
48	Hot-rolled strip, thousands of tons	60	60	60	60	60
49	Seamless pipe, thousands of tons	5	6	7	7	7

## List A (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
	Including exchange based on specialization, thousands of tons	4	4	5	5	6
50	Tinplate, thousands of tons	2	2	2	2	2
51	Steel balls, thousands of tons	15	15	15	15	15
52	Wire and steel cable, exchange based on specialization, thousands of tons	3	5	6	6	7
53	Finishing and ferrous metallurgy, millions of dollars	40	40	40	40	40
54	Processing of coking coal to make coke, thousands of tons	50	50	50	--	--
55	Aluminum wire 9 mm in diameter, thousands of tons	2	2	2	2	2
56	Aluminum strip with a gauge of 2 mm, thousands of tons	3	3	3	3	3
57	Lead in blocks, thousands of tons	6	6	6	6	6
58	Slab zinc, thousands of tons	3	3	3	3	3
59	Processing in nonferrous metallurgy (copper wire with a diameter of 8 mm from cathode copper and aluminum strip for aluminum sheet of the "Omnia" type), millions of dollars	15	17	15	20	20
60	Technical chlorine, thousands of tons	5	5	3	--	--
61	Sodium hydroxide, 40-50%, thousands of tons	25	25	20	10	10
62	Ammonium sulfate, natural, thousands of tons	20	20	20	20	20
63	Sodium nitrate, natural, thousands of tons	0.7	0.7	0.7	0.7	0.7
64	Sodium nitrate, thousands of tons	0.7	0.7	0.7	0.7	0.7
65	Soda ash, thousands of tons	35	25	25	25	25

## List A (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
66	Common paraffin C10-C12, thousands of tons	--	20	30		30
67	Acetaldehyde, thousands of tons	--	5	5	5	5
68	Acrylonitrile, thousands of tons	10	10	10	10	10
69	Benzene, thousands of tons	10	20	30	30	30
70	Propylene, thousands of tons	15	15	15	15	15
71	Polypropylene, thousands of tons	--	3.5	4	4	4
72	Monoethylene glycol, thousands of tons	2.5	2.5	7.5	7.5	7.5
73	Carbamide, natural, thousands of tons	10	10	--	--	--
74	Arizol A 69, thousands of tons	3	3	3	3	3
75	Pharmaceutical and cosmetic raw materials and drugs, thousands of dollars	3,000	3,000	3,000	3,000	3,000
76	Heavy chemicals, thousands of dollars	2,000	2,000	2,000	2,000	2,000
77	Heavy motor vehicle tires (exchange), thousands of pieces	10	10	10	10	10
78	Butadiene-styrene rubber, thousands of tons	3	3	3	3	3
79	Butyl alcohol, thousands of tons	5	5	5	5	5
80	Octyl alcohol, thousands of tons	3	3	3	3	3
81	Veterinary products, thousands of dollars	500	500	500	500	500
82	Acetone, thousands of tons	2	2	2	2	2
83	Sodium sulfide, thousands of tons	0.5	0.5	0.5	0.5	0.5
84	Dinitrotoluene and toluene, thousands of dollars	--	6,000	6,000	6,000	6,000
85	Paints and varnishes (exchange), thousands of dollars	2,000	2,000	2,000	2,000	2,000
86	Phenol, thousands of tons	0.7	1	1	1	1
87	PVC powder, thousands of tons	3	3	3	3	3

## List A (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
88	Dandruff preventives, thousands of tons	1	1	1	1	1
89	Oils and lubricants, millions of dollars	2.5	2.5	2.5	2.5	2.5
90	Petroleum products and gas, millions of dollars	pm	pm	pm	pm	pm
91	Cotton, woolen, silk and decorative fabrics, millions of dollars	2.7	2.8	3.2	3.7	3.7
92	Finished textile products, millions of dollars	2.3	2.3	2.4	2.7	2.8
93	Children's toys and sporting goods, millions of dollars	0.5	0.5	0.5	0.5	0.5
94	Wool, Merino and semi-Merino, tons	500	500	500	500	500
95	Raw silk (greige), tons	10	10	10	10	10
96	Raw swine hides, split and other, millions of dollars	1	1	1	1	1
97	Two-mm plate glass, millions of m <sup>2</sup>	1.5	1.5	1.5	1.5	1.5
98	Frosted glass and ornamental glass, thousands of m <sup>2</sup>	400	400	400	400	400
99	Glass blocks, thousands of pieces	100	100	100	100	100
100	Glass structural fabrications, thousands of m <sup>2</sup>	200	200	200	200	200
101	Glass containers, millions of dollars	1	1	1	1	1
102	Porcelain and ceramics, millions of dollars	0.1	0.1	0.1	0.1	0.1
103	Lighting fixtures and parts, millions of dollars	0.5	0.5	0.5	0.5	0.5
104	Wood sheets, thousands of m <sup>3</sup>	3	3	3	3	3
105	Charcoal, thousands of tons	0.5	0.5	1	1	1
106	Production of household furniture through industrial cooperation, millions of dollars	1.5	2	2.5	2.5	3



## List A (continued)

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
107	Cellulose (sulfate pulp and cellulose from straw), millions of dollars	0.7	0.7	0.8	0.9	0.9
108	Kraft paper (up to 50 g), millions of dollars	0.1	0.1	0.1	0.2	0.2
109	Scrap paper, millions of dollars	0.1	0.1	0.1	0.2	0.2
110	Early potatoes, thousands of tons	3	3	3	3	3
111	Early vegetables and fruit, thousands of tons	1	1	1	1	1
112	Exchange of products of the food processing industry, thousands of dollars	2	2	2	2	2
113	Seed, stock and transplants (rape, watermelon, roses and walnuts), millions of dollars	0.4	0.4	0.4	0.4	0.4
114	Cement, thousands of tons	50	50	50	50	50
115	Clinker, thousands of tons	50	50	50	50	50
116	Consumer goods, millions of dollars	1	1	1	2	2
117	Exchange between department stores, millions of dollars	1.5	1.5	1.5	1.5	1.5
118	Border traffic, millions of dollars	6	8	10	12	15
119	Transportation services, millions of dollars	3	5	8	10	12
120	Tourism, millions of dollars	3	3	3	3	3

List B/1981-1985. Exports From the Socialist Federal Republic of Yugoslavia to the People's Republic of Bulgaria

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
1	Construction crane with a capacity up to 10 tons and other capacities, including production through industrial cooperation, thousands of dollars	550	1,550	1,850	2,550	3,550
2	Water and air cleaners, thousands of dollars	200	200	200	400	500
3	Equipment for cement plants and the ceramic industry, thousands of dollars	500	500	500	1,000	1,000
4	Compressors, thousands of dollars	200	200	200	200	200
5	Steam boilers (parts), for solid fuel, with capacities up to 600 MV, thousands of dollars	--	200	500	500	800
6	Reducers and variators, thousands of dollars	500	500	1,000	1,000	1,500
7	Miscellaneous pumps, thousands of dollars	500	1,000	1,500	2,500	3,000
8	Sieves and sifting screens, thousands of dollars	200	200	200	200	200
9	Equipment for bakeries, thousands of dollars	200	200	300	300	400
10	Power engineering equipment for thermal electric power plants up to 100 MV, thousands of dollars	200	300	500	500	500
11	Equipment and components for the chemical industry, thousands of dollars	500	500	1,000	1,000	1,000
12	Drive chain, thousands of dollars	500	500	500	500	500
13	Bearings, thousands of dollars	150	200	200	250	250

## List B (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
14	Coal cars--hopper, units	150	150	150	150	150
15	Parts for freight cars, thousands of dollars	3,000	3,000	3,000	3,000	3,000
16	Nickel-cadmium storage batteries, thousands of dollars	300	300	300	400	400
17	Castings, thousands of dollars	200	300	400	500	600
18	Equipment for fork lift trucks and electric tractors, including rubber and steel tires, thousands of dollars	1,000	1,200	2,000	2,000	3,000
19	Power shovels with a shovel size greater than 1.5 m <sup>3</sup> , bulldozers with a power greater than 150 HP, loaders with a capacity greater than 1.5 m <sup>3</sup> , including production through industrial cooperation, thousands of dollars	5,000	6,400	8,000	9,600	11,000
20	Parts for Perkins diesel engines, thousands of dollars	750	800	850	900	950
21	Steel and stainless fittings, thousands of dollars	200	200	200	200	200
22	Switches for electric panels, in sets, thousands of dollars	50	50	50	50	50
23	PE-150 safety pump complete with electric motor, units	--	--	--	4	4
24	CN-150-110 special pump complete with electric motor, units	--	--	--	3	3
25	Special stainless steel fittings, tons	--	--	--	31.4	31.4
26	Special carbon steel fittings, tons	--	--	--	18.4	18.4

## List B (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
27	Woodworking machines, thousands of dollars	500	600	700	800	1,000
28	Hydraulic and pneumatic devices and parts, including air brakes for highway vehicles, thousands of dollars	1,000	2,000	3,000	4,000	5,000
29	Metal-cutting machines, multispindle automatic machines, radial drilling machines, etc., thousands of dollars	2,000	4,000	6,000	8,000	10,000
30	Forging presses, thousands of dollars	500	600	700	800	1,000
31	Welding machines, thousands of dollars	200	200	200	200	200
32	Abrasives, thousands of dollars	850	900	950	1,000	1,100
33	Abrasive solids, thousands of dollars	500	500	600	700	700
34	Asbestos fabric and paper, thousands of dollars	100	100	100	150	150
35	Industrial fittings, thousands of dollars	500	500	500	500	500
36	Plumbing fixtures (bathtub and wash basin fixtures), thousands of dollars	300	400	500	600	700
37	Castings for machine-building, thousands of dollars	1,200	1,400	1,600	1,700	1,700
38	Exothermic materials, tons	10	20	30	40	50
39	Pigments for ballpoint pens and refills, tons	50	50	50	60	80
40	Coated sand, tons	600	700	800	1,000	1,000
41	Machines, equipment and materials for founding, thousands of dollars	--	--	200	300	400
42	Machines and equipment for cleaning castings, thousands of dollars	250	700	1,500	1,800	1,800

## List B (continued)

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
43	Machines for cleaning installations for regeneration of sand mixture, thousands of dollars	--	120	120	340	240
44	Air-cooled condensers for sealed units of refrigerators, pipes with fins, areas from 2.5 m <sup>2</sup> to 10 m <sup>2</sup> , thousands of units	120	140	150	170	170
45	Operating electric capacitors from 6 to 35 microfarads, thousands of units	30	30	30	30	30
46	Axial rotors for sealed ventilation cooling units, thousands of units	10	10	10	10	10
47	Thermostats for home refrigerators with semiautomatic switching, thousands of units	--	50	60	70	80
48	Evaporators for home refrigerators, thousands of units	--	50	60	70	80
49	Model 27062, 27080, 27090 and 27100 (tropical) axial fans, units	100	110	120	120	120
50	Equipment for trade and the food service industry (cooling, heating and neutral), thousands of dollars	2,000	2,000	2,000	2,000	2,000
51	RC-80 sailboats (catamarans), units	--	2	--	--	--
52	Equipment for ships, including ship chain, thousands of dollars	500	500	500	500	500
53	Maritime vessel repairs, thousands of dollars	5,000	5,000	5,000	5,000	5,000
54	River vessel repairs, thousands of dollars	1,000	1,000	1,000	1,000	1,000

## List B (continued)

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
55	Automatic control equipment for pipelines, thousands of dollars	1,000	3,000	3,000	1,000	--
56	Calibrated units for monitoring and controlling the flow of gas and liquids, thousands of dollars	--	600	--	--	--
57	Automatic equipment for filling tank cars, thousands of dollars	--	600	--	--	--
58	Automatic equipment for the gas pipeline between Stara Zagora and Sofia, thousands of dollars	--	1,500	2,000	--	--
59	Agricultural machines, equipment and parts, thousands of dollars	4,000	5,200	6,200	7,000	7,600
60	Electroporcelain, thousands of dollars	1,500	1,600	1,700	1,800	1,900
61	Oil-poor circuit breakers of 10 kv and 2,500 A, thousands of dollars	--	--	2,000	2,000	2,000
62	Parts for automatic circuit breakers and other low-voltage devices, thousands of dollars	1,400	2,500	3,100	3,600	4,500
63	"Hartinaks" for chambers (switches about 15 t), thousands of dollars	100	100	100	100	100
64	Transformers and parts for strong transformers up to 400 kv, thousands of dollars	1,000	1,200	1,200	1,200	1,400
65	Cables and conductors, thousands of dollars	2,500	2,500	2,500	2,500	2,500
66	Diesel engines for power units, thousands of dollars	1,500	1,500	1,500	1,500	1,500
67	Lighting fixtures, thousands of dollars	500	500	500	500	500

List B (continued)

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
68	Material, parts and products for audio equipment, through cooperation, thousands of dollars	200	200	200	200	200
69	Radios and television sets, through cooperation, thousands of dollars	1,000	1,500	2,000	2,500	3,000
70	Pav telephones for intercity calls, thousands of dollars	120	130	140	160	200
71	Active and passive electronic elements and materials, through cooperation, thousands of dollars	150	200	250	250	250
72	Electrical household appliances, through cooperation, thousands of dollars	1,500	1,700	1,900	2,000	2,500
73	Production of washing machines, through cooperation, thousands of dollars	1,000	1,200	1,400	1,500	2,000
74	Medical devices and apparatus, thousands of dollars	700	700	700	700	700
75	Refractory materials, thousands of tons	4	4	5	5	5
76	Miscellaneous shapes, thousands of tons	12	12	12	12	12
77	Dynamo sheet, thousands of tons	2	2	2	2	2
78	Structural steel, thousands of tons	8	8	9	10	10
79	Seamless pipe, thousands of tons	6	6	7	8	11
	Including exchange based on specialization, thousands of tons	4	4	5	5	6
80	Steel bottles of various sizes for various gases, thousands of pieces	10	10	10	10	10
81	Metal electrodes, tons	200	200	200	200	200

## List B (continued)

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
82	Wire and steel cable (exchange based on specialization), thousands of tons	3	5	6	6	7
83	Finishing and ferrous metallurgy, millions of dollars	40	40	40	40	40
84	Processing of coking coal, thousands of tons	50	50	50	--	--
85	Intermediate products of copper and alloys, tons	250	250	250	250	250
86	Intermediate products of bronze, tons	100	100	100	100	100
87	Alpaca tape, tons	150	150	150	150	150
88	Capillary tubes, tons	100	100	100	100	100
89	Capacitor tubes, tons	100	100	100	100	100
90	Aluminum alloy wire, tons	90	90	90	90	90
91	Zinc kok [?], thou- sands of tons	15	15	15	15	15
92	Zinc concentrate, thousands of tons	6	6	6	6	6
93	Lead-copper stone, thousands of tons	3	3	3	3	3
94	Lead concentrate, thousands of tons	10	10	10	10	10
95	Antimony, tons	800	800	800	800	800
96	Processing in nonfer- rous metallurgy (cathode copper in copper wire 8 mm in diameter and aluminum sheet of the "Omnia" type from aluminum strip), millions of dollars	15	17	15	20	20
97	Sodium perborate, tons	200	200	200	200	200
98	Hydrogen peroxide, tons	300	300	300	300	300
99	Potassium carbonate, tons	800	800	800	800	800
100	Titanium dioxide, tons	500	500	500	500	500
101	Cryolite, tons	200	200	200	200	200
102	Liquid gold, kg	300	300	300	300	300



## List B (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
103	Chromium sulfate, basic, tons	500	500	500	500	500
104	Linear alkyl benzene, tons	9,000	9,500	10,000	11,000	12,500
105	PVC pellets for phonograph records, tons	400	400	400	400	400
106	Tetrachloroethylene, tons	1,000	1,000	1,000	1,000	1,000
107	Trichloroethylene, tons	1,000	1,000	1,000	1,000	1,000
108	Monochloroacetic acid, tons	500	500	500	500	500
109	Auxiliary supplies for the leather, paper, textile and rubber industry, thousands of dollars	500	500	500	500	500
110	Cellophane, tons	500	500	500	500	500
111	Nitrocellulose, tons	300	350	400	400	400
112	Technical gelatin, tons	70	70	70	70	70
113	Pharmaceutical and cosmetic raw materials and drugs, thousands of dollars	3,000	3,000	3,000	3,000	3,000
114	Chestnut extract, tons	400	400	400	400	400
115	Chemicals for plant pest and disease control, thousands of dollars	3,000	3,000	3,000	3,000	3,000
	Breakdown:					
	Lindane, tons	50	50	50	50	50
	Ametrin, 99% basic, tons	80	80	80	80	80
	Prometin VVP-50, tons	100	100	100	100	100
	Terbutrin, tons	30	30	30	30	30
	Timet, tons	250	250	250	250	250
	Amezin, tons	450	450	450	450	450
	TMTD-80, tons	30	30	30	30	30
116	Motor vehicle tires, heavy (exchange), thousands of pieces	10	10	10	10	10
117	Polyurethanes, thousands of dollars	6,000	6,000	6,000	6,000	6,000
118	Carboxymethylcellulose, tons	50	50	50	50	50

## List B (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
119	Phosphoric acid 100%, tons	15,000	15,000	15,000	15,000	15,000
120	Triple superphosphate, tons	20,000	20,000	20,000	20,000	20,000
121	Veterinary preparations, thousands of dollars	500	500	500	500	500
122	Polyvinylacetate, tons	1,300	1,300	1,300	1,300	1,300
123	Caprylic acid, tons	--	--	2,000	2,000	2,000
124	Octenic anhydride, tons	--	--	1,000	1,200	1,300
125	Methanol, tons	10,000	10,000	--	--	--
126	Paints and varnishes (exchange), thousands of dollars	2,000	2,000	2,000	2,000	2,000
127	Orthoxylol, tons	3,000	3,000	4,000	4,000	5,000
128	Paraxylol, tons	2,500	2,500	2,500	2,500	2,500
129	Sodium chlorate, tons	500	500	500	500	500
130	Chromium-potassium sulfate, tons	500	500	500	500	500
131	Conveyor belts and drive belts, thou- sands of dollars	1,500	1,500	1,500	1,500	1,500
132	PVC powder, emulsion, tons	2,500	2,500	2,500	2,500	2,500
133	Oils and lubricants, thousands of dollars	2,500	2,500	2,500	2,500	2,500
134	Miscellaneous chemical products, thousands of dollars	2,000	2,000	2,000	2,000	2,000
135	Cotton, woolen, silk and decorative fab- rics, millions of dollars	2.7	2.8	3.2	3.7	3.7
136	Finished textile prod- ucts, millions of dollars	2.3	2.3	2.4	2.7	2.8
137	Children's toys and sporting goods, mil- lions of dollars	0.5	0.5	0.5	0.5	0.5
138	Coarse wool, tons	500	500	500	500	500
139	Cellulose wool, tons	400	400	500	500	500
140	Auxiliary supplies for factory-made gar- ments, millions of dollars	0.3	0.3	0.4	0.4	0.4

## List B (continued)

No	Commodity Designation	1981	1982	1983	1984	1985
141	Manila rope, millions of dollars	0.2	0.2	0.2	0.2	0.2
142	Technical felt, millions of dollars	0.5	0.5	0.5	0.5	0.5
143	Viscose yarn, tons	300	300	300	300	300
144	Viscose cord yarn, tons	200	200	200	200	200
145	Auxiliary supplies for the garment industry ("Celteks," "Konit," etc.), millions of dollars	1.7	1.9	2	2.1	2.3
146	Carborundum and Cordeir/te wheels, millions of dollars	0.6	0.6	0.6	0.6	0.6
147	Aluminum-potassium sulfate, thousands of tons	10	10	15	15	20
148	Sodium-aluminum sulfate, thousands of tons	5	5	5	5	5
149	Porcelain and ceramics, millions of dollars	0.1	0.1	0.1	0.1	0.1
150	Glassware (crystal), millions of dollars	0.1	0.1	0.1	0.1	0.1
151	Lighting fixtures and parts, millions of dollars	0.5	0.5	0.5	0.5	0.5
152	Housewares, millions of dollars	1.5	1.5	1.8	2	2.5
153	Natural veneer, thousands of m <sup>2</sup>	0.3	0.3	0.4	0.4	0.4
154	Furniture production through cooperation, millions of dollars	1.5	2	2.5	2.5	3
155	Writing and printing paper, cardboard and other types of paper, paper and cardboard fabrications, thousands of dollars	900	1,000	1,100	1,150	1,250
156	Products of the food processing industry--exchange, thousands of dollars	2,000	2,000	2,000	2,000	2,000

## List 8 (continued)

<u>No</u>	<u>Commodity Designation</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
157	Seed, stock and transplants (high-yield hybrid sunflower seed and apple trees), thousands of dollars	400	400	400	400	400
158	Ethyl alcohol, tons	1,000	1,000	1,000	1,000	1,000
159	Asbestos-cement pipe 200/16, hmd [expansion unknown]	200	200	200	200	200
160	Ceramic pipe and shapes, thousands of meters	100	100	100	100	100
161	Consumer goods, millions of dollars	1	1	1	2	2
162	Exchange between department stores, millions of dollars	1.5	1.5	1.5	1.5	1.5
163	Local border traffic, millions of dollars	6	8	10	12	15
164	Transportation, millions of dollars	22	24	26	28	30
165	Tourism, millions of dollars	3	3	3	3	3

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## EXECUTIVE CADRES NEED BETTER INFORMATION ON SCIENTIFIC ACHIEVEMENTS

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[Article by Yanko Georgiev, director of Information and Sociological Center in BCP Central Committee: "Cultural Standard of Information--Scope and Problems"; passages enclosed in slantlines printed in boldface]

[Text] Successful solution of the problems, large in scope and complex in character, that arise at the present-day stage of development of our society depends to an ever greater extent on the cultural standard of information of executive cadres and performing personnel, of all workers. This holds true with special force for the problems involving nationwide intensification of the economy and the other sectors of the national economy, the accelerated introduction of scientific and technical achievements and progressive experience, and the application of the new economic approach and its mechanism. The nature of these problems is such that they cannot be correctly understood and interpreted--much less completely solved--unless the personnel at all levels receive timely and full information about the highest achievements of science and practice in their respective fields and unless they form and develop the attitude of thoroughly mastering and effectively using new knowledge about their profession, specialty or sphere of activity. Under present-day conditions the cultural standard of information has become one of the basic components of the professional training and practical performance of personnel. Its constant rise is of decisive importance if they are always to be in step with the rapidly transpiring scientific and technical revolution, have correct reference points for their goals and the results of their activity, and raise the level and efficiency of their work. "That is why," Comrade Todor Zhivkov emphasizes, "the task /of raising the cultural standard of information of executive cadres and performing personnel/ and of stimulating in them the need to seek the information they require and make maximum use of it in their job" takes on special importance.

Accomplishment of this task presupposes correct understanding of the scope of the cultural standard of information, knowledge of the criteria for rightly evaluating its status, and familiarity with the ways of constantly raising the level thereof in keeping with the growing demands.

## I.

The concept of "cultural standard of information" is comparatively new. Although it is widely used in scientific literature and in party and governmental

documents, it has not yet been completely elucidated in colloquial language and its scope has not become fully known.

When we speak of the cultural standard of information, it must obviously be regarded, first and foremost, as part of the general culture of society and of the individual. Culture, for its part, is a broadly inclusive and multilayered social phenomenon, for which there are numerous and very contradictory definitions.<sup>2</sup> The present article does not have as its subject culture in general or the complex relations and interactions of culture with the other processes and phenomena in the life of society. Its purpose is, proceeding from basic theses about culture, most of which are beyond dispute, to set forth certain viewpoints about the scope of the cultural standard of information and about the ways that will lead to a rise in its level.

As is known, by culture most generally is understood everything that has been created and is being created by man, as distinguished from what has been given by nature. It is often spoken of as "a second nature." The culture of a society is the material and spiritual values created by the people in the process of their sociohistorical practical activity. The most significant of these become part of the storehouse of universal culture, are transmitted from generation to generation and serve as a basis for unceasing cultural progress. But culture is not simply an aggregate of values created and introduced. It is also the process itself of their creation, dissemination and use. The element of creative power and building most fully and most precisely expresses its scope.

The level not only of economic culture (machinery, technology, production experience, physical assets etc.), but also of spiritual culture (science, art, literature, education and the spiritual values that they create, disseminate and spread) is closely linked with the level of the socioeconomic social order. Social progress is simultaneously cultural progress. A more progressive socioeconomic formation creates more favorable conditions for the development of culture, just as the development of culture is a powerful factor in the all-round progress of society.

At the same time, "the correlation between society and culture is not a correlation between a whole and a part, but between the whole and the quality thereof."<sup>3</sup> Culture is not the phenomena themselves--material or spiritual, but their characteristics from the viewpoint of change, development and improvement. It is /quality/ that characterizes the stage reached in the development of science and technology, production and administration, education and training etc. In this sense, culture is a synonym for quality. A high cultural standard in labor, in mode of life, in leadership, in conduct and in other spheres is an expression of the high quality of activity in these spheres, of the greater perfection and efficiency of that activity.

In all historical periods the intellectual perfection of man and the widening of his horizon and production experience is the most important achievement of culture. "The very act of reproduction," Marx writes, "not only changes objective



conditions . . . , but changes the producers, too; they develop within themselves new qualities, they develop and transform themselves through production, forming new energies and new ideas, new methods of communicating with others, new needs and a new language."<sup>4</sup> The active influence it exerts on man is the most important and essential feature of culture. Therefore, as D. M. Gvishiani points out, "From this point of view, culture could be defined as development, as the self-reproduction of man in his capacity of a social being, effected in the concrete forms of his material and spiritual activity."<sup>5</sup> Culture is an expression of the all-round growth and improvement of the personality. The level thereof is an indication not only of what man /knows/ and of the volume and the depth of the knowledge he has mastered, but also of what he /knows how to do/, of his capacity to act upon the practical world and alter it in the desired direction, of his work /style/ and /methods/.

The victory of the socialist social order is impossible without an enhancement of culture in all spheres. Not by chance did Lenin repeatedly emphasize in a number of his works after October 1917 the necessity of continuous improvement in peaceful, constructive "cultural" labor. He introduces and uses widely the concepts of "cultural standard of politics," "cultural standard of organization," "cultural standard of administrative ability," "cultural standard of production" etc., whereby he expresses the process of the development and improvement of knowledge and the relationships and conduct of people in different fields and substantiates the task of raising the quality and efficiency of their work. In the famous article, "Better Less, but Better," he points out, "It is culture that I am asking about here, since in these works only what has become part of culture, of the way of life, of habits should be regarded as achieved."<sup>6</sup>

The most important features of culture in general are likewise characteristic features of the cultural standard of information in particular. But the latter is not simply one of the components of general culture, as are, for example, cultural standards of technology, politics, art, economics, law, way of life and other types of cultural standards. It is organically linked with all these individually and with general culture as a whole. On the one hand, the cultural standard of information is a very important characteristic of all cultural standards; without it, they could not take form and develop and their status could not be rightly evaluated. Every kind of cultural standard presupposes the mastery of a certain volume of information about the area in question and the disposition towards, and experience in updating, continually augmenting and using it. On the other hand, the cultural standard of information itself contains bits of elements of other cultural standards, without which it would not be sufficiently full or comprehensive and could not be efficiently effected in practice.

But it by no means follows hence that the cultural standard of information must be regarded as a certain set of knowledge and skills about a little bit of everything. It has a specific content of its own, which includes at least the following elements.

/First, thorough knowledge of the profession or specialty that one practices./ Obviously it cannot be asserted that executive cadres or performing personnel who are employed, say, in the sphere of industry but possess the necessary

training neither in the techniques and technology of the production process in question nor in the economics and organization of labor in this sector, have even the minimum cultural standard of information. Without such training, they could not assimilate and utilize newly received information about the most important sphere of their social performance--the sphere of labor. Therefore, having training in the profession or specialty one practices is a necessary condition for the formation and enhancement of personnel's cultural standard of information.

/Second, a person's inner need and disposition to seek new information about the profession or specialty in which he is employed./ Under present-day conditions the cultivation of such qualities is a mandatory condition for successfully performing the functions of the profession or specialty that one practices. It has been proved that in an age of scientific and technical revolution a significant proportion of one's skills become obsolete in 8 to 10 years. Unless personnel, especially executive cadres and specialists, "keep their eyes wide open" for what is new in science and progressive practice and unless they feel the need to get information about it and master it, they will inevitably fail to keep up with the requirements set for their professional training and will not be informationally oriented regarding the achievements and possibilities in the sphere of their activity. I refer to the need and disposition to seek new information not only on concrete problems and for specific cases, to a need and disposition which have become habits with people, having become established as part of their nature and transformed into their work style, their way of life, something they cannot do without.

/Third, the ability to find, procure and master new information./ Here the question is not one of requiring personnel to "absorb" in the course of their immediate job everything new that science, technology and progressive practice have to offer. That is beyond their powers, especially when one considers that the system of postgraduate work is far from able to take in everybody. A high cultural standard of information presupposes that personnel will in good time learn about anything new that has appeared in their profession or specialty, will know where information about it is to be found and be able to get it for themselves. For the purpose they must have specific training in the problems of bibliography and librarianship, know how to use existing catalogues and card-indexes and be familiar with periodicals and other sources offering information on their specialty. It is also important that they should be able to establish contact with automated information systems, know how to "read" the information often contained in multiscale tables, drawings, graphs and diagrams, be proficient in modern scientific methods of extracting, summarizing and analyzing it, and have an acquaintance with methods for expert evaluation of its completeness and validity.

/Fourth, the aspiration and ability to use assimilated information, to draw conclusions from it and improve practical activity./ Without this, there can be no genuine cultural standard of information, for it does not consist in the accumulation of facts, figures and pieces of information for their own sake. "Reference books exist for facts," Comrade Todor Zhivkov emphasizes. Once they become obsolete, facts can always be discarded and replaced with new ones. But what can never be achieved unless we master it in time is the art of thinking



about facts. But thinking, as is known, means not only knowing how to analyze them, but also drawing conclusions, generalizing, evaluating, predicting. Whoever has not learned to think will never be anything more than a sterile collector of facts, a plodding recorder, something like a mobile encyclopedia. . ."<sup>7</sup> Of course, conclusions must not be drawn from analyzed and interpreted facts for themselves alone. What is needed are convictions, and the will and capacity to implement in practice what has been mastered. These qualities, too, must be formed and durably established in the character of personnel, in their work style, their habits and way of life. Without this, the desire and the disposition to seek out, procure and master new knowledge remain within the bounds of ordinary curiosity which, however much it may be prized as a positive human quality, does not suffice to establish a really effective cultural standard of information.

/Fifth, a capacity for orientation in the domestic and international situation and for correct understanding of the character and trends of social development./ This is a necessary condition for the all-round training and work of every executive and specialist, of every worker. Without thorough political knowledge and without systematically keeping track of and mastering current information about the most important events of a domestic and international character, it is impossible to understand the essence of the policy followed in a given sector or sphere of activity, to fathom the sense and significance of the tasks one performs, or to judge the information that is received from correct class-and-party viewpoints. The requirement of systematic political training becomes especially important under present-day conditions of the sharp ideological struggle in the international arena, the rapid unfolding of the scientific and technical revolution, and Bulgaria's dynamic development as a country with an "open" economy. Under these conditions, knowledge of the latest thing in science and progressive experience even when it is timely and complete, the ability to analyze and interpret received information, and even the readiness to modify practical activity decisively always presuppose the right answer to the question: On behalf of what? Such an answer can be given only if personnel's cultural standard of politics, which is inseparable from their cultural standard of information, is high.

All these elements, taken together, would reveal the main thing in the scope of the concept of cultural standard of information. Thus, /the cultural standard of information is a complex social phenomenon which is in a state of continuous development and change. It manifests, firstly, the volume and depth of the professional, executive, political and other knowledge which personnel have about the profession or specialty they practice; secondly, their training and their internal need and aspiration continuously to expand and update their knowledge; and, thirdly, their ability to interpret and use the information they receive in order to improve their practical activity and enhance its efficiency./

## II.

The continuously increasing complication of the processes and phenomena in social practice continuously and naturally enhances the role of information in the life of society.<sup>8</sup> Under present-day conditions, more and more it takes on the character of a specific social resource, the mastery and use of which is of

tremendous significance for the development of all spheres of social life. Researchers even calculate how much information has to increase in order to obtain the necessary economic result in a given field. Thus, in the opinion of Academician A. I. Berg, "In relation to the national income the volume of information has to grow quadratically or even faster."<sup>9</sup> This means that for national income to rise, say, 2 percent, an information increase of at least 4 percent is first necessary.

The effect of information as a specific resource is far from having only economic dimensions. It holds within it the potential of widening the intellectual horizon and enhancing the professional skills of personnel, improving their work style and methods, and contributing to their all-round growth and performance. These are results that cannot be comprehended and measured by means of figures and percentages.

These results, however, do not automatically ensue from the increasing volume of information. In order for them to appear and materialize, and change from potential into real possibilities, the information containing them must be mastered, interpreted and utilized. This means that the growing banks of information must constantly and systematically be "transformed" into the cultural standard of information and that the quantity of information in practice really enhances the quality of the subjective factor.

The factors that raise the level of culture in general create the objective conditions and preconditions for raising the cultural standard of information, too. The most important of these are: elevation of the people's education level, accelerated development of science and use of its achievements in practice, development of wide-scale book-publishing and distribution activity, and making the mass information media accessible to the masses etc.

These factors are widely operative in the Bulgarian People's Republic. As is known, during the years of the people's government and especially since the historic April (1956) Plenum of the BCP Central Committee a profound socialist cultural revolution has taken place in our country that has acquainted the broad masses of the people with the achievements of culture. As far back as the 1950's illiteracy of the population was basically eliminated. A contingent of many thousands of specialists with higher, post-secondary and secondary special education was trained. Whereas in 1960 their number in the national economy was 257,000, in 1981 it had climbed to 907,000, i.e. it had grown more than 3.5-fold. The educational level of performing personnel has risen, too, though the rate of this process cannot yet be regarded as adequate. Wide-scale educational activity also takes place in political and public organizations. In party and Komsomol links and in training forms for economic education alone more than 3 million people are instructed every year.

Science is cultivated in accelerated fashion as a basic generator of new information for all sectors and activities. Scientific-services and introduction organizations have increased from 92 in 1960 to 375 in 1981. Employed in the sphere of science and scientific services are nearly 23,000 persons, who every year study about 8,000 subjects and problems for introduction into production.

A wide network has been set up of information, computer and other centers, organizations and links specializing in the collection, processing and supplying of scientific and technical, economic, sociological, demographic and other social information. This network is more and more clearly assuming the outline of a fast rising new and promising sector of the national economy in our country--the information sector. True, its parameters are not as great in our country as in certain other countries.<sup>10</sup> Nor are there any comprehensive studies of its specifics, scope and rate of development. It is regrettable that timely use has not been made of the fundamentally new ideas and propositions regarding the construction of an integrated social information system and the creation of an "information institute," set forth by Comrade Todor Zhivkov to the PVP Central Committee as early as the July (1968) Plenum<sup>11</sup> and to the National Conference of Active Party Members and Government and Economic Figures in January 1970,<sup>12</sup> not only for more detailed formulation of the concept of an integrated information system, but also for delineation of the limits of the information sector and the lines of its development. The very formation of the sector, however, is an indisputable fact that necessitates a faster and fuller formulation of the theory of its nature, the range of activities which it encompasses, and the direction and rate of its development.

Information that is produced, as well as information received from other countries, is publicized first and foremost in the form of books and pamphlets and articles in magazines and newspapers, as well as through radio and television broadcasts. In recent years nearly 5000 books and pamphlets with a total press run of 60 million copies have been printed annually in our country. Over 1000 magazines with a press run of 62.5 million copies and nearly 500 central and local newspapers with a total annual circulation of 1 million copies are published. There are more than 5000 hours of Bulgarian television programming annually and over 45,000 hours of Bulgarian radio programming.

All this creates favorable opportunities for forming a high cultural standard of information in working people. On the one hand, there is a new, highly information-saturated environment. Both in the family and in the educational institution, as well as at the workplace, today's citizen of Bulgaria lives in the midst of flows of diverse information, which can increasingly widen his cultural horizon, elevate his intellectual and professional level, and make his labor more productive. On the other hand, having a higher education and more time for instruction and self-instruction, the present-day Bulgarian citizen has the condition for mastering the more and more abundant information about the world surrounding him and for continuously enriching his culture. As a result, there are grounds for asserting that the citizens in our country every day master a large volume of new information about the country and the world, their job and their mode of life. As a rule, they are people with many-sided informational interests and with the desire and will to familiarize themselves with information of interest to them and to interpret and use it. This applies especially to information shedding light on the principal problems of our social development and party and state policy in various fields. Representative in this regard, for example, is the fact that 91.5 percent of the country's population over 18 years of age followed the proceedings of the 12th Party Congress, watching some or all of its sessions on television. No less important is the fact that only 2 months after the congress 96 percent of the population was already familiar with the basic congress materials.<sup>13</sup>

But the fact that informational interests exist, as well as the objective conditions for satisfying them more and more fully, does not in and of itself foreordain the formation of a high cultural standard of information. The existing possibilities do not automatically and spontaneously become realities in this field either, but presuppose organized and purposive work on the part of the subjective factor. There are many problems in the activity of forming and enhancing the cultural standard of information of personnel that await complete clarification and practical solution. While making no claim to exhaustive character of range or completeness of evaluations, we might point out that the most important of these problems have to do with the following.

/First, a significant proportion of the executive cadres and specialists in the basic sectors of the national economy do not receive sufficiently full and timely information about some important aspects of their work./ This applies in maximum degree to information about the new achievements of scientific and technical progress and progressive experience, as is corroborated by many sociological and other investigations, by conversations with personnel in various sectors and by the results of their practical activity. Thus, for example, in a sociological investigation 43 percent of the surveyed executive cadres and specialists, performing duties from shift chief to director of industrial enterprise, replied that they were not familiar with the latest achievements of our advanced enterprises in the sector in which they were employed. The proportion of those who are not /familiar with the results of the best firms in the world in the same line/ is still greater--nearly 71 percent.

A shortage of information in this area was also felt by the executive cadres and specialists in agriculture. In the same investigation, 17 percent of them replied that they were not familiar with the latest achievements of progressive farms in the okrug, 36 percent that they were not acquainted with the highest achievements of agriculture in the country, and 44 percent that they had received no information about the achievements of the best agricultural enterprises in the world.<sup>14</sup>

Both the lack and the shortage of information about the achievements of scientific and technical progress and progressive experience indicate that there is a significant gap in the cultural standard of information of some executive cadres and specialists in the national economy which holds back their professional and executive development and sets low criteria for the results of the enterprises and farms they run. This is one of the reasons for the existence of the famous "shopp [peasant of the Sofia district] conception" in the education and work of some executives and specialists that prevents their following closely and mastering the scientific-and-technical and economic achievements of the developed countries and progressive firms, their setting high goals and catching up with the results of the more advanced countries and firms.

Another sphere for which information likewise is incomplete and irregular is the sphere of labor, of relations between people in the process of creating new material and spiritual valuables. The role and significance of this sphere hardly need detailed substantiation. It must be emphasized, however, that it never remains in a frozen form. Being a process of active interaction between man and the surrounding environment, labor is in a state of constant development



and change, which is the result both of progressive development of productive forces and production relations, and also of improvement in the system of administering the national economy. These changes are especially dynamic under conditions of the scientific and technical revolution, the adopted course of accelerated introduction of scientific and technical progress, the policy of nationwide intensification, and the improvement of the socialist ownership of the means of production. As a result, there has been a change in the scope of labor and in the requirements set for general cultural standard and professional knowledge of personnel, for their skills, mental attitude and discipline in the labor process. Significant shifts are taking place in the sectorial, professional-qualifications and territorial structure of manpower. Work forces are increasingly gaining recognition as stewards of the socialist property entrusted to them, and in the process of stewardship new relationships are springing up between executive cadres and performing personnel, among the workers themselves.

Information on all these problems, which in final analysis sheds light on the status and problems of the human factor in production, is no less necessary than information about the status of techniques and technology, the supply of materials and machinery, and the marketing of output. This necessity, however, is not always realized and taken into account, for which reason many executive cadres and specialists receive very meager and irregular information about the occurrence of important social, educational and other problems which have become the focus of public opinion in the work forces. This, for a certain time, is not an obstacle to the normal course of the specific production process. But the time comes when the lack of information about certain aspects of the status of the human factor or the untimely response to the problems revealed thereby inevitably manifests its adverse influence. In such cases it has been found that workers' qualifications have fallen seriously behind the requirements of the new technology, that turnover has assumed inordinately large proportions, that the breaking in of newly arriving replacements encounters significant obstacles, that an unfavorable sociopsychological atmosphere has been created in the work force etc. In all these cases the dearth of information is paid for at a high price--a lowering of the work force's activity, a slowing down of economic and social development etc.

That is why the Report to the 12th Party Congress emphasized that "research is needed on the labor of the worker and the toiler in agriculture, on the social development of the work forces. The sociologist and psychologist should have their place in our plants and on our farms--along with the economist, agronomist and engineer."<sup>1</sup> To implement this thesis, the Secretariat of the BCP Central Committee in May 1982 adopted a decision "On the Wider Use of Sociological and Psychological Knowledge for the Improvement of Production." It aims at creating conditions everywhere for the provision of necessary information about processes in the sphere of labor, on the basis of which executive cadres and agencies of social administration should keep close watch on the status and use of the human factor in production--the country's labor potential.

Of decisive significance for eliminating these and other "blank spots" in personnel's information backup will be the overall establishment of /the integrated social-information system/, which must "include all spheres of life and all human activities and at the same time be open to all world information systems and

resources."<sup>12</sup> This system, set up on an economic basis, will provide incentive for the development of the "information industry," will ensure the collection, processing and supply of information for the various sectors and will thus contribute to the enhancement of the cultural standard of information.

Another measure along these line may be the study of /the permanent information needs/ of executive cadres and the creation of the necessary organization to meet them. The concept of "permanent information needs" contains an element of tentativeness. Information needs, like all other social needs, as a rule are a dynamic variable. They unfold simultaneously with man's general development, in line with the work that he performs and the conditions under which he lives. Nonetheless, the above-mentioned concept has a right to exist and can "work" within the context of the concept of "cultural standard of information" and activity to /enhance/ it. With it should be determined not a given executive or specialist's needs for specific information about a precisely defined question, but /the areas/ of science and practice, /the range of problems/ about which he must be regularly informed so as to be in step with scientific and technical progress in his particular sector or production process and be familiar with the latest achievements of progressive practice.

The range of permanent information needs should include at least two subject-matter fields: professional and ideologico-political. The first should comprise knowledge that can keep the executive's professional and managerial information up to the level of the latest achievements in science and practice for his particular profession or specialty. We refer here to information about scientific and technical developments, the highest world and national achievements, targeted and reported indicators of the organization in which the given executive is employed etc. The second subject-matter field should comprise information about facts, processes and phenomena characterizing the status of the subjective factor in the particular organization. These are, first and foremost, data about quantitative and qualitative changes in the work force, the status of the sociopsychological climate therein, the public opinion and attitudes of workers as a result of the problems that arise etc. Although it has no direct bearing on executive cadres' professional knowledge, this information is so important and necessary so that they can perform their executive functions successfully.

The main thing in the determination of permanent information needs is not to record and periodically update them, but to create an organization that will guarantee the timely receipt of information in line with the needs of the individual executives and specialists. After it is ascertained what given personnel have to be informed about regularly so as to perform their immediate official duties successfully, the next step is to ensure that the information they need is provided. The same care and effort must be given to this as to the provision of necessary raw materials, supplies, machinery etc. since the lack of absolutely necessary information is an obstacle to the efficiency of any production process. A much more active role along these lines can and must be played not only by the specialized information centers, sectors and other services in the organizations and departments in question, but also by the executive cadres themselves that have the greatest personal interest in getting information that is mandatory for them.

/Second, the level of the cultural standard of information of personnel, as has been indicated, is dependent not only on providing them with the information they need, but also on forming within them an internal need to obtain and master it, on their ability to interpret it correctly and, above all, on their disposition and will to use it in their practical activity./ Observations have shown that the weakest aspect now of the job of enhancing the cultural standard of information of personnel is not so much the lack or shortage of information on the problems of particular sectors, professions or posts. As a rule such information exists both generally in the country and within the individual ministries and departments. True, it can and should be more complete, should be received more regularly and should shed fuller light on questions. But, in principle, information is not lacking. The main unsolved problems in this area boil down primarily to its inadequate mastery and utilization. In practice, the amount of information produced, imported and translated grows considerably faster than does the real enhancement of personnel's cultural standard of information.

One of the reasons for this has to do with the fact that in a number of cases personnel are apparently overloaded with information in great volume and of a multidisciplinary character. Due to the lack of a precise idea of their actual information needs, they are often sent numerous magazines, newspapers, reference books, scientific papers, pamphlets and other materials, a significant portion of which are very remote from the professional and managerial interests of the particular executive or specialist, and in practice these make it difficult for him rapidly to find and use the studies and data on problems in his work that he most needs. In this way, the overburdening of personnel with superfluous information has the same adverse consequences as does a shortage of the information needed for the job. One of the ways of eliminating these consequences, as has been noted, is to determine the permanent information needs of executive cadres correctly and to organize the job of meeting them, simultaneously overcoming the shortage of necessary information and the overburdening of personnel with unnecessary information.

Another important reason for the underutilization of information is the very poor training of personnel as information consumers. With few exceptions, they do not study and are not familiar with the rules of library and bibliographic services, do not know where to seek information of interest to them or how to procure it for themselves, are not acquainted with such modern methods of data extraction and processing and expert data evaluation as the methods of "content analysis," "cerebral attack," "Delphi," "morphological analysis" etc., do not know how to communicate with automated information systems or make full use of them in their work. An example. By decision of the Secretariat of the Central Committee in our country an automated information system on party membership was established and has begun to function. It not only facilitates and expedites the processing of basic statistical data about party membership, but also offers vast possibilities of studying these data in various breakdowns and thus contributes to a more thorough watch and control over quantitative and qualitative changes in the party's development. The system relieves the concerned staff members of the party machinery of the laborious job of data collection and the calculation of percentages, thus creating conditions for them to concentrate primarily on the analysis of the computer-processed information,

on the detection of trends in the development of membership and on the formulation of suggestions for the control of these trends. All this the electronic computer presents in the form of tables revealing complex relationships and interdependencies between phenomena. It turns out, however, that some of the staff members of the party committees who are charged with the responsibility of reporting on communists are not able to read the tables, graphs and diagrams easily available to them, which seriously hampers their making full use of the abundant information they contain.

Nor are many of the future executive cadres and specialists, now sitting in the classrooms, receiving adequate training as information consumers. Study of the practical situation shows that "informationwise, students are illiterate. Most of them do not know what a 'signature mark' is, do not know of the existence of catalogues and card-indexes, are not familiar with periodicals and other professional sources in their specialty, and do not know in what library they can find them. The percentage of students who know about the automated information systems in operation at TsINTI [Central Institute for Scientific and Technical Information] is low."<sup>17</sup> Obviously the right thing to do both within the system of higher education and within the system of postgraduate work would be to teach a certain number of the skills in the problems of informatics and bibliography so that executive cadres and specialists may have not only the professional, but also the necessary informational qualifications, without which they cannot fully perform as executives and specialists.<sup>18</sup>

When we speak of utilizing information, we must emphasize that this must not be understood mechanically and simplistically. Naturally, far from all information can or should be put to use directly to reproduce the practical activity it describes. The use of information is a process which has its own degrees of development. In some cases, indeed, it will be possible on the basis of the information received "to repeat the experience" of scientific teams and progressive enterprises. In other cases, this experience will serve as a reference point in determining directions and goals of future development. In yet other cases, the information will simply be taken as information, but thus too it will expand the horizon of executive and specialist and will make them better informed, which likewise is of significance for enhancing their cultural standard of information and for improving their practical work style and methods. The precondition for this, however, is obtaining and studying the information and interpreting the conclusions that follow from it.

Third, conditions are ripe for the question of cultural standard of information to take its rightful place in the system of criteria and yardsticks reflecting the training, development and performance of executive cadres and specialists. As has been pointed out, the cultural standard of information expresses many significant aspects of personnel's all-round growth. It is a yardstick that carries considerably greater "logical" weight than, for example, the yardstick of "academic degree," since it encompasses not only knowledge mastered in the past, but also the need rooted in the person constantly to seek new knowledge and his ability to procure and master it, as well as his capacity to interpret it and use it in his practical activity. These are parameters which delineate very much more fully personnel's genuine potential not only in relation to the tasks now entrusted to them, but also in relation to the higher demands that scientific and technical progress and progressive practice inevitably will make on their



training and work in the future. Watching and becoming familiar with the level of personnel's cultural standard of information means knowing considerably more fully their genuine abilities to assume and successfully perform more responsible tasks tomorrow. Therefore, the right thing to do in personnel files and periodic certifications of executive cadres and specialists would be to keep a record, along with other yardsticks, of their cultural standard of information and to evaluate its level and change.

Moreover, it is important to assess to what extent existing economic, administrative and other incentives and penalties create the necessary personal interest in personnel constantly to enhance their cultural standard of information. A complete consideration of the package of incentives and penalties in this area is not a subject of the present article. Here let us only note that this package obviously is not sufficiently full and effective since far from all executive cadres and specialists, especially in the physical production sectors, regard information as an important potential reserve for raising the efficiency of the work forces they manage. Moreover, some observations show that individual business executives, for example, sometimes deliberately turn a cold shoulder to information about progressive achievements in their respective sector in the country and the world and that they even endeavor to limit the dissemination of such information since, seen against the high results achieved by others, an unsatisfactory rating will have to be given to the results achieved by the enterprises and farms that they themselves manage. "Therefore," as Comrade Todor Zhivkov points out, "teaching and educational means must here be combined with means of economic pressure and compulsion. This will be beneficial not only for production, but also for personnel."<sup>19</sup>

Fuller treatment of the problem of the essence and scope of the cultural standard of information, of the ways of enhancing it and of the influence that it exerts on the development of various spheres of social life is of urgent and great importance for the theory and practice of socialist construction in our country. This makes it necessary that this problem should attract more active attention from scientists working on questions of administration, from figures in the field of education, from executive cadres and specialists in the practical world.

#### FOOTNOTES

1. T. Zhivkov, "Za Kharaktera na Materialno-Tekhnicheskata Baza na Zreliya Sotsializum. Problemi i Podkhodi na Neynoto Izgrazhdane" [On the Character of the Material and Technical Base of Mature Socialism. Problems and Approaches in Its Construction], Partizdat, 1983, p 48.
2. The French scientist A. Moll notes that the scientific literature gives more than 250 definitions of culture (A. Moll, "Sotsiodinamika Kul'tury" [Sociodynamics of Culture], Moscow, 1973, p 35).
3. A. K. Uledov, "Spiritual Life of Society" in "Nauka i Izkustvo" [Science and Art], Sofia, 1983, p 163.

4. K. Marx and F. Engels, "Such." [Works], Vol 46, part I, p 418.
5. D. M. Gviashiani, "Philosophy, Culture and Scientific and Technical Progress" in the journal VOPROSY FILOSOFII [Questions in Philosophy], No 7, 1983, p 6.
6. V. I. Lenin, "Such." [Works], Vol 33, p 489.
7. T. Zhivkov, "Izbr. Such." [Selected Works], Vol 19, p 233.
8. For more detail on this question, see the journal NOVO VREME [New Times], No 11, 1979, pp 5-8.
9. Cited by A. Gorelykh, "Progressive Production Experience and Scientific and Technical Information" in the journal EKONOMICHESKIYE NAUKI [Economic Sciences], No 5, 1983, p 30.
10. "According to UNESCO data, here and now more than half of the employed population in the most developed capitalist countries participate directly or indirectly in the process of information production and dissemination. In the United States over 50 percent of manpower is employed one way or another in the information sphere, with this level possibly rising to 85 percent during the 1980's according to the forecasts of specialists." --The journal SSHA--EKONOMIKA, POLITIKA, IDEOLOGIYA [The United States--Economy, Politics, Ideology], No 35, 1983, p 120.
11. T. Zhivkov, "Izbr. Such.," Vol 15, pp 180-184.
12. T. Zhivkov, "Izbr. Such.," Vol 17, pp 174-178.
13. According to data of the sociological investigation in connection with the study and implementation of the decisions of the 12th BCP Congress, conducted by the Information and Sociological Center of the BCP Central Committee in June 1981.
14. According to data of the sociological investigation on the subject of "The Party under Conditions of the Scientific and Technical Revolution," organized by the Information and Sociological Center of the BCP Central Committee in 1979.
15. T. Zhivkov, "Otchet na TsK na BKP pred Dvanadesetiya Kongres i Predstoyashtite Zadachi na Partiyata" [BCP Central Committee Report to the 12th Congress and Impending Party Tasks], Partizdat, 1981, p 127.
16. Twelfth Congress of the Bulgarian Communist Party, "Dokladi i Resheniya" [Reports and Decisions], Partizdat, 1981, pp 214-215.
17. M. Kharizanova, "Cultural Standard of Information of Future Specialists" in the journal AVTOMATIZATSIIYA NA PROIZVODSTVOTO I UPRAVLENIETO [Automation of Production and Control], No 3, 1983, p 8.

18. In this regard, one can take into consideration the experience of many higher educational institutions in the USSR, the GDR, the Czechoslovak Socialist Republic and other socialist countries, where special courses in the problems of informatics and bibliography are taught (M. Kharizanova, art. cit., p 8).
19. T. Zhivkov, "Za Kharaktera na Sobstvenata Materialno-Tekhnicheska Baza na Zreliya Sotsializam--Problemi i Podkhodi na Neynoto izgrazhdane v Bulgariya" [On the Character of the Internal Material and Technical Base of Mature Socialism--Problems and Approaches in Its Construction in Bulgaria], Partizdat, 1983, p 48.

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CSO: 2200/54

## SEPTEMBER 1983 PLAN FULFILLMENT SUMMARIZED

Prague HOSPODARSKE NOVINY in Czech 28 Oct 83 p 2

[Article by Dr Eng Václav Čap, ScC, Federal Bureau of Statistics: "September 1983"]

[Text] The development of national economy in the first 6 months of this year confirm that it is within the powers and capabilities of our economy to step up its dynamism substantially and essentially and even to create resources at a faster rate of growth than that stipulated by the state plan. The Presidium of the CPCZ Central Committee and the government of the CSSR discussed the results of the development of national economy in the first half of the year and drew conclusions for more realistic management of economic operations in the future.

September had one workday more than the same month in 1982 (and thus, also the three quarters); the results demonstrate that, in general, the headstart gained in the first 8 months of this year has been maintained in production and industry. In September the level of industrial production rose 3.8 percent and over the three quarters 3.1 percent as compared with the same period of 1982. The above-plan volume of gross production amounted to Kcs 5.3 billion for the three quarters, which means that the economic plans of the enterprises were 101.1 percent fulfilled. Adjusted value added advanced even more in the three quarters and the preliminary fulfillment by the enterprises was equal to 102 percent; the scope of the above-plan volume of adjusted value added was Kcs 3.9 billion. Thus, the above-plan volume of gross production as well as of adjusted value added was higher than the situation in the first 6 months.

Nonetheless, it is not so crucial to overfulfill the production in general but rather in efficient branches, particularly in the processing industry, by observing the stipulated directions for utilization of the production. The data for the three quarters show that, in general, if we disregard the line of products and the schedule for fulfillment of necessary and agreed-upon deliveries in the structure of production, the sales plans are being met. Economic plans for deliveries for our domestic market in wholesale prices and in retail prices have been overfulfilled; in retail prices they were 2.5 percent higher than in the three quarters of 1982.

A similar situation appears in deliveries for exports to socialist countries which--calculated in fob prices--rose 8.1 percent. Deliveries for export to nonsocialist states in fob prices declined 2.6 percent. Deliveries of machinery and equipment for capital investment in wholesale prices were down 1.1 percent; however, the annual plan had envisaged a 12.5 percent decline. Delays in the schedules for deliveries of machinery and many construction projects confirm structural deficiencies on the part of machine engineering in maintaining a steady progress of construction works. Deliveries for the consumption in production and sales in wholesale prices increased 2.5 percent in the three quarters over the same period of 1982.

We cannot be satisfied by far with the uniformity and comprehensiveness in the fulfillment of the plans. While most enterprises are exceeding their plans, 22 percent of industrial enterprises have failed to meet their planned production tasks, and 16.5 percent failed to fulfill their plan of adjusted value added. In 8 months 46.5 percent of all enterprises failed to meet all indicators stipulated as control of the fulfillment of the plan.

The main burden of the accelerated development of the economy falls on machine engineering and electrical engineering industry. In 9 months, the electrical engineering industry was foremost in the accelerated rate of growth in the production. In the three quarters its enterprises raised the standard of production 7.5 percent as compared with the same period of 1982 (the rate of growth of production slowed down slightly in September); deliveries to our domestic market in wholesale prices were up 9.8 percent, for exports to socialist countries up 11.8 percent, and to nonsocialist states up 9.6 percent. Deliveries for exports to nonsocialist states were down 9.7 percent in general engineering, where production increased 5.1 percent and deliveries for our domestic market were up 13 percent and for exports to socialist countries up 3.5 percent. The plan for production in heavy engineering has not been fulfilled. The electrical engineering industry and engineering production failed to meet all the requirements of the state plan for exports to nonsocialist states.

In September the wood-processing industry upgraded its standard of production and is gradually eliminating its deficit in the fulfillment of the plan for the first 6 months. With its production up 3.5 percent over the three quarters, however, the task of the state plan--to achieve a 4.4 percent increase for the year--will be especially difficult. The light industry, primarily the textile industry, which marked a 2 percent growth of its production, the garment industry a 2.5 percent growth, and the polygraphic industry a 3.1 percent growth, contributed to its 1.2 percent growth, while the glass, ceramics and porcelain industries raised their production 0.5 percent and the leather-processing industry and footwear manufacture declined 1.6 percent.

The construction materials industry, which is an energy-intensive branch depending on construction production, increased its production 0.8 percent, roughly at the planned level. The production in the metallurgical industry was up 2 percent, in the chemical industry 2.8 percent, thus, substantially above the level stipulated by the annual state plan.



In September the volume of construction works increased 0.9 percent in comparison with the construction industry over the same period of 1982, i.e., the average daily production declined 3.5 percent. Since the beginning of the year, however, the volume of construction works was 3.1 percent higher. In September as well as in the 3 months construction enterprises as a whole overfulfilled their plans. In September they failed to meet their plans of adjusted value added, but they overfulfilled them for the 3 quarters.

The drought which caused less abundant harvest of row crops and fodder as well as of autumn fodder mixes continues to be felt in our agriculture. The harvest of grain crops, including maize, amounted to a total of more than 11 million tons, i.e., slightly more than stipulated in the plan. This year's harvest demands that we immediately begin to economize strictly with all kinds of fodder and to develop the livestock production in accordance with the state plan. Over the 3 quarters the procurement of livestock products was higher than stipulated by the plan; from the beginning of the year 39,000 more tons of slaughter livestock and poultry, 479 million more liters of milk, and 139 million more eggs were procured than in the same period of 1982.

Against the relative success achieved in foreign trade in August, the sales turnover increased in September; however, when compared with the same months in 1982, its dynamism had slowed down. In relation to the socialist countries exports and imports dropped more than 10 percent in September as compared with September of 1982. In agreement with the planned objectives, the rate of growth of imports in the 3 months gained a slight edge over exports. Exports to nonsocialist countries were somewhat lower in September and imports were 4.5 percent higher than in September 1982. That considerably reduced the edge of exports before imports gained since the beginning of the year.

The financial management of economic organizations demonstrated better results than those planned for the entire year. In the 8 months the share of material costs (without depreciation) and services of nonmaterial type in outputs at 63.2 percent was 0.56 points below that stipulated for the whole year; the share of total costs was 0.45 points lower. Returns on costs and production assets were higher than last year. The growth of labor productivity from adjusted value added is being met in industry at a faster rate than the growth of average wages; nevertheless, the relation between the growth of labor productivity in gross production and the growth of average wages according to the orientation indicators of the plan have not been met.

In September the accelerated dynamism of cash outlays of the population continued again, in agreement with the plan, together with a slower rate of growth of personal income. In the 3 months the growth of financial incomes and expenditures was approximately balanced. In our domestic market higher demands of the population were reflected in retail turnover in main commercial systems, which was up 4.2 percent in September, and 3 percent higher in the three quarters than in the same period in 1982. Savings deposits of the population increased Kcs 13.7 billion as compared with the situation in 1982, amounting to Kcs 187.1 billion as of 30 September. During the same period the money supply was up Kcs 2.8 billion and amounted to Kcs 51.1 billion.

# Basic Indicators of National Economic Development in September 1983

Increase Over Comparable 1982 Period (in percent)	Sep	Jan-Sep	State Plan
Deliveries of the Central Administered Industries for:			
--investments at wholesale prices	-	- 1.1	- 12.5
--domestic market			
at wholesale prices	-	3.3	0.5
at retail prices	-	2.5	2.0
--export to socialist countries			
at wholesale prices	-	6.5	1.2
at FOB prices	-	8.1	3.8
--export to nonsocialist countries			
at wholesale prices	-	4.0	- 3.2
at FOB prices	-	- 2.6	- 2.6
--other sales for industrial production and other operations at wholesale prices	-	2.5	-
volume of industrial production	3.8	3.1	1.8
average number of employees	0.2	0.6	0.7
labor productivity based on industrial population	3.6	2.5	1.0
Construction			
construction work performed with internal labor resources	0.9	3.1	- 0.1
average number of employees	0.2	- 0.1	0.6
labor productivity based on construction work	0.8	3.2	- 0.7
housing units delivered by contracting enterprises	31.0	- 1.2	- 6.1
Procurement			
slaughter animals (including poultry)	10.6	3.1	- 1.4
milk	8.7	12.2	1.1
eggs	1.2	6.7	2.2
Retail Turnover of the main trade systems	4.2	3.0	2.1
Foreign Trade <sup>1</sup>			
export to socialist countries	-10.2	11.3	9.9
export to nonsocialist countries	- 0.4	0.4	0.5
import from socialist countries	-10.8	12.1	13.9
import from nonsocialist countries	4.5	- 4.3	- 5.1
Personal Earnings of the Population	2.8	3.3	1.5
of which income from wages	2.6	2.7	1.1
Personal consumption expenditures	3.4	3.1	2.4

<sup>1</sup> Data (from fob prices) on actual results refer to overall actual results, the state plan (in contrast to overall actual results) does not include unplanned actions within the framework of cooperation, unplanned reexports trade, exchanges and conditional trade transactions, etc.

GERMAN DEMOCRATIC REPUBLIC

PATENT OFFICE PRESIDENT EXPLAINS NEW LAW ON INVENTIONS

East Berlin PRESSE-INFORMATIONEN in German No 141, 2 Dec 83 pp 2-3

[Article by Dr. Joachim Hemmerling, President, Office for Inventions and Patents: "Patent Law Increases Legal Protection of Inventions." For a translation of the revised Patent Law cited below see JPRS 84924, 12 Dec 83 No 2485 of this series pp 4-13]

[Text] On 1 January 1984 the new "Law on the Legal Protection of Inventions--Patent Law--" (GBL Part I No 29, 2 November 1983) goes into effect. It further improves the already favorable conditions for invention activity. It aims at broadening opportunities for creative initiatives, boosting the inventors' contributions to performance growth and elevating the legal protection for their achievements.

The new patent law assumes that the development of invention activity and the legal protection for inventions are components of the management and planning in science and technology and lays down the fundamental tasks for the managers in enterprises and research institutions in this respect. Above all, they have to assign ambitious scientific-technical lead requirements that challenge the working people's creativeness. Managers must create all the conditions for a high inventive level in scientific-technical work. The scope and level of inventions in R&D facilities are an essential criterion for rating the achievements of the collectives and their individual associates.

The requirements to be placed on an invention and its being worthy of protection are also for the first time set down in the GDR's patent law, oriented to a high level of invention in scientific-technical work: Inventions are technical solutions distinguished by novelty, industrial applicability and technical progress and due to an inventive achievement. These protection prerequisites, which the law explains in greater detail, are in line with the traditional international demands made on the level of inventions. They will orient inventors in a still more target-directed manner at achieving patentable solutions.

The law obligates the enterprises and research institutions to examine all possible scientific-technical results for their patentability and apply for patents for them, if conditions warrant it, at the Office for Inventions and Patents. In this, and in other procedural measures to ensure legal protection, the copyright offices work closely together with the inventors and inform them on decisions made.



Among the sensible rules of the past that were taken over into the new patent law is that the Office for Inventions and Patents initially grants a provisional patent if the application meets the application requirement and it does not concern a solution precluded from patent protection. Excluded from patent protection are, e.g., diagnostic, prophylactic and therapeutic methods for the treatment of illnesses as well as plant varieties, animal species and computer programs.

If an invention for which such a provisional patent was granted is used, the Office for Inventions and Patents examines whether novelty and the other protection requirements referred to apply. If so, the patent gets confirmed. Now microbiological procedures have become a new technical field in the GDR that may get patent protection.

Among the sensible rules that were taken over into the new patent law also is that for inventions made in connection with the inventors' work on the job in a socialist enterprise economic patents are granted. All socialist enterprises can use them without special permission. The socialist enterprises are not only entitled, they are under the obligation to examine, in conformity with their plan tasks, all potential inventions for their applicability and use suitable inventions extensively and effectively. For other inventions can, as already in the past, an economic patent or an exclusionary patent be applied for. The latter gives the patent owner the exclusionary right to use the invention.

The socialist state grants inventors extensive rights. Of special weight in this is the right to moral and material recognition of their achievements. If an invention that meets all protection requirements and is protected by an economic patent is used, the enterprise using it has to pay the inventor an amount that depends on how much of a public benefit it is. This remuneration for inventors is legally enforceable, which is also set down in the Patent Law.

Furthermore, enterprises must also pay moral tribute to inventions. Outstanding inventors who have repeatedly made important inventions should be set up, with special tribute, as models for other working people. In close cooperation with the managers, the trade union promotes the creative initiative of the inventors and aids them in their exercising their rights.

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GERMAN DEMOCRATIC REPUBLIC

ORDER ON COMPLEX HOUSING CONSTRUCTION

East Berlin GESETZBLATT DER DEUTSCHEN DEMOKRATISCHEN REPUBLIK in German Part I  
No 28, 30 Oct 83 pp 269-271

["Order on Tasks and Working Method for Principals in Complex Housing Construction," signed by Kair-Heinz Martini, first deputy minister and state secretary, Ministry for Construction Industry, on 19 September 1983]

[Text] In concurrence with the heads of the official centralized organs, the following is ordered:

Article 1 - Range of Application

This order applies to the principals in complex housing construction [hencefort referred to as principals] under the bezirk and kreis councils [hencefort referred to as local councils].

Tasks, Accountability and Working Method

Article 2

(1) The principal, as commissioned by the local council and based on contracts with the consignors, is responsible for preparing and carrying out new construction projects and reconstruction, modernization and repair measures in complex housing construction.

(2) The principal has to direct the preparation and implementation of the complex housing construction projects as set down by the local council in the chief plan schedule.

(3) If construction measures at a site are carried out by combining new construction, reconstruction, modernization and repair, a principal has to take them on.

(4) The principal may be charged by the local council with directing the preparation and implementation of other investment projects.

The principal has to ensure the preparation and placing of investments in complex housing construction, including reconstruction measures, and modernization and repair measures on the basis of legal regulations, resolutions from the local people's representations and their councils, and contractual relations. Work set aside for complex housing construction are to be invested with the highest effectiveness. Construction measures are to be prepared in high quality, and official deadlines have to be met.

Additional reserves have to be tapped in reducing investment, construction and transportation expenditures through bringing an influence to bear on choosing advantageous sites, particularly by building on inner-city areas, an intensive utilization of cleared construction sites, reduced expenditures for making structures available, including urban and technical traffic supply installation and networks, and the utilization of extant communal facilities.

#### Article 2

The principal must ensure the abiding by official expenditure ceilings, official price structures and guideline values for complex housing construction. In co-operation with construction combines and enterprises, technical and technological construction solutions at reasonable values have to be worked out, and these solutions are to be applied. Chief plan schedules and flow charts for the preparation and construction are to be worked out jointly which will, in addition, ensure an effective whole-year use of conveyer belts, technological lines, special brigades and assembly lines.

#### Article 3

The principal has to take part in enforcing scientific-technical progress, especially socialist rationalization. He has to see to it that science and technology data on reducing investment and construction costs, saving working hours, the thriftiest use of building materials and the full application of energy economy construction measures are broadly applied to the new construction, reconstruction, modernization and repair of housing. Projects oriented to optimum values are to be chosen which ensure high product quality, good values, material economy, economy construction and a rational utilization of building sites.

#### Article 4

The principal has to bring his influence to bear on erecting sociopolitically attractive and well designed apartment buildings and areas through lowest possible cost. He has to aim his activity at seeing go up, in conformity with the principles for the socialist development of urban construction and architecture in the GDR, interesting urban construction and architectural solutions that are functionally sensible and harmoniously combine the extant and the new.

#### Article 7

The principal has to take part in elaborating the long-term conception for complex housing construction.

#### Article 8

(1) The principal has to sign contracts with the consignors on the preparation and placing of investments for complex housing construction, including reconstruction measures, and for modernization and repair measures. He has to organize the participation of the consignors in the preparation and implementation of construction measures. The principal is paid for his services in conformity with legal regulations.\*\*

(2) In coordination with the residential area commission of the National Front of the GDR, the principal has to draw the population into the preparation, implementation and supervision of construction measures in complex housing construction, especially in the inner-city sector.

#### Position

#### Article 9

(1) The principal is an official authority and budget organization. He is directly accountable to the local council. He is a juristic person.

(2) The principal is referred to as "principal for complex housing construction in Bezirk (kreis) . . . ." The local council determines the seat of the principal.

(3) With the concurrence of the competent local council, the principal may open branches.

#### Article 10

(1) The principal is under the instruction and control of the technical organ appointed by the local council.

(2) The principal must, in size and composition, be in line with the scope and intricacy of the tasks to be resolved so that the services are performed rationally and with a minimum of public expenditures. In preparing the principal's job plan, the local council's manpower plan applies to that area of responsibility.

#### Article 11

(1) The principal is the managing director in charge who manages in accordance with the principle of one-man leadership.

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\*In effect at this time is the 13 July 1978 implementing regulation for the decree on investment preparation--preparation of investments for complex housing construction-- (GBL Part I No 23 p 260).

\*\*In effect at this time is the 19 September 1983 order on paying for the activity of the principal in complex housing construction (GBL Part I No 28 p 271).

(2) The appointment and recall of the director comes from the chairman of the local council.

#### Article 12

The director, as the principal, has to account to the local council on his having taken care of the tasks assigned to him, especially on the following major aspects:

- Ensuring the sociopolitical objective through the most favorable cost/benefit ratio,
- the properly timed preparation of the investments and construction measures in complex housing construction, according to plan, in the combination of new construction, reconstruction, modernization and repair, based on the stipulations in the chief plan schedule,
- the execution and handing over of the project, according to plan and proper as to deadlines and qualities, and staying within or below the ceilings of the planned expenditures on the basis of the bezirk flow chart and planning schedule,
- influence brought on establishing rational cooperation relations in preparation and implementation of the construction measures and their coordination in situ,
- influence and participation in enforcing scientific-technical measures, and
- drawing the population into the preparation and implementation of the construction measures.

#### Article 13

##### Managerial Institutions

(1) The Ministry for Construction Industry, with concurrence from the bezirk council, appoints a principal as the corporate managerial body for the principals in the bezirks and bezirk towns, for whose direction and supervision the construction offices are responsible. The corporate managerial body has to organize

- periodic performance comparisons among the principals in the bezirks and bezirk towns, based on precise analyses,
- periodic experience exchanges among the principals in the bezirks and bezirk towns, and
- scientific papers on matters of further developing and perfecting the work of the principals.

(2) The principal in a bezirk is the corporate managerial body in charge of the principals in kreises. He has to administer the tasks as to Paragraph 1.

#### Article 14 - Final Provisions

(1) When principals are organized as state-owned enterprises, the local council may decide whether that form of organization is maintained.

(2) This order takes effect on 1 November 1983.

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CS0: 2300/190

## SITUATION, PROBLEMS OF CONSTRUCTION MATERIAL INDUSTRY REVIEWED

Budapest FIGYELŐ in Hungarian No 46, 17 Nov 83 p 5

[Article by Kalman Mathe and Mihaly Lami: "Surplus and Shortage"]

[Text] Between 1970 and 1980 the construction materials industry increased its production by nearly 60 percent as the result of establishing new, modern plants. Since 1980, however, the increase in production has stopped short. Production in the first 9 months of 1983 exceeded that of the similar period last year by only 2 percent. A number of branches (stone, cement, concrete) were forced to reduce production due to a drop in need. At the same time, a few branches (for example, brick and tile) were still unable to satisfy domestic demand despite the fact that the production structure of the construction materials industry became more modern in recent years.

The production of some items increased more quickly than construction industry demand; thus a significant decrease in import and even an increase in export became possible. For example, in 1982, as compared to 1970, they produced nearly 6.5 times more asbestos cement corrugated sheet, 8.5 times more wall covering tile and 5.5 times more flooring tile. By the beginning of the Sixth 5-Year Plan an essentially balanced situation had developed on the domestic construction materials market, with the exception of fired brick, fired tile and reinforced concrete beams, and in the past 2 years a surplus has developed temporarily in some products (stone, gravel, cement, wall covering tile, etc.). Despite the overall quantitative balance it has not always been possible to satisfy quality and variety needs or the peak demand which appears seasonally. In many cases it has not been possible to ensure harmony, either in stockpiles or trade, between the continuous manufacture deriving from technology and the seasonal use, so shortages appear from time to time.

For a significant portion of the construction materials industry products not used for construction, for example the glass industry and ceramics industry products produced for direct consumption by the populace, production basically corresponds to the needs of the users so that import serves primarily to expand variety. The majority of these products can be sold economically abroad also.



There is a lasting shortage of some products--such as fire resistant materials, grinding wheels, packaging glass, etc--so it is necessary to buy more and more from socialist countries and even to an increasing extent from convertible relationships. A significant improvement can be expected in the supply of packaging glass after the investment under way is put into operation. The restricted investment possibilities limit development of manufacture of the other products.

For the reasons mentioned above the import of construction materials industry products increased in the past 3 years, if only to a small degree. Materials not for construction use make up more than 50 percent of the supplementary import, such as, for example, fire resistant materials and glass and ceramic products for signal technology purposes.

#### Enterprises in Debt

The spasmodic arrival of imports, at a pace deviating from the pace of use, causes regularly recurring confusion in the domestic supply of building materials, and this is compounded by the shortage of storage facilities.

The export of the construction materials industry has stagnated in the past 3 years. Total export makes up about 9 percent of the production value of the branch. Convertible accounting export makes up 65-70 percent of the export. The greater part of this, about two thirds, is provided by the glass and fine ceramics industry and within this our most significant export articles include household fancy glass and porcelain products. At present, however, there is no possibility for a considerable increase in export, partly because of the production possibilities and partly because of the development of demand.

Every country strives for self-supply in satisfying the raw material needs for large volume construction materials industry production. The geological conditions of our homeland ensure the potential possibility for production of the majority of these raw materials, but we must import a number of indispensable raw materials. We are forced to import crude asbestos, ceramics industry kaolin, glass industry sand and fire resistant materials.

The investments of the construction materials industry increased vigorously between 1970 and 1982. In 12 years about 47 billion forints were turned to investments and the gross value of fixed assets increased more than three times. Quantitative growth in production, the modernization of technologies and improving working conditions stood in the foreground of the development of the construction materials industry. Improving the quality of products and expanding variety, however, were not among the developmental goals. The development of the construction materials industry was not accompanied by the development of materials corresponding to the technical, economic and esthetic requirements of the age or by expanding offerings.

The goal of the investment policy was the elimination of obsolete and uneconomical production capacity. This hardly succeeded, however, because of the supply problems. It was not possible to take obsolete fixed assets out of production because this would have caused shortages. Thus the

Inventory of obsolete, worn out tools increased further. The value of fixed assets written off to zero increased five times. The average degree of usability of fixed assets decreased significantly. In 1982 the ratio of fixed assets written off to zero was 12 percent in the construction materials industry.

The technical level of the producing plants of the construction materials industry is uneven. There are great differences in the technical and organizational levels even of plants which can be regarded as modern. And the productivity of even the leading plants lags behind the productivity level of similar foreign plants. One objective reason for this is that as a result of the weak background industry and low level of industrial services the supply of parts falters and the efficiency of repair and maintenance activity is not satisfactory.

In almost every case the investments of the construction materials industry were realized with the use of significant sums of state support and credit, partly in the form of large state investments. To a large extent budgetary awards and state loans covered the costs of the investments.

Because of their earlier investments the enterprises of the branch were, almost without exception, in debt at the beginning of the Sixth 5-Year Plan; in the present situation their resources offer cover for only minimal developments.

Improving fixed assets management is an especially important task because of the narrow investment possibilities. The ratio of the costs of fixed assets maintenance, as compared to fixed assets value, has grown continuously and rose from 3 percent in 1970 to 9 percent by 1980. The fixed assets maintenance capacity is extraordinarily scattered. Small machine and parts manufacturing bases have developed (the Cement Industry Machine Repair, the Paszto factory unit of the glass industry, machine repair bases in Bekescsaba, Szombathely and Mezotur). But the organizational level and productivity of these lags far behind those of modern machine industry plants.

#### Few Skilled Workers

By the beginning of the Sixth 5-Year Plan the ~~manpower~~ situation of the construction materials industry had become basically balanced. The old plants working with outmoded, obsolete technology under unfavorable working conditions, which struggled with manpower problems, constitute an exception.

The need for a qualified work force, for skilled workers and experts with technical training, has increased in every branch of the construction materials industry. Thus the task at the beginning of the Sixth 5-Year Plan was to improve the quality composition of manpower in construction materials industry manpower supply.

Manpower employed by the construction materials industry is decreasing as a whole; within this the physical workers have decreased significantly, non-physical personnel have decreased only moderately. The number of

full-time employees decreased from 80,300 in 1975 to 68,800 in 1982, and within this the number of physical workers decreased from 67,000 to 56,000.

Only about one third of the physical workers are skilled workers, and metal and machine industry skilled workers make up nearly 40 percent of these. This suggests that in the absence of an adequate service industry background the construction materials industry is forced to prepare to carry out repair, and to some extent parts manufacturing, tasks in an autarkic manner.

Repair and maintenance account for 25 percent of the personnel. The large number employed in material movement is another characteristic of the situation of the construction materials industry. About 18 percent of the workers are employed in this area. This ratio is even higher if we take part-time workers into consideration.

#### Energy and the Price of Construction Materials

Energy costs account for 18 percent of the production costs and more than 40 percent of the material costs of the construction materials industry. The introduction of modern technologies resulted in decreasing the specific energy use of production but in most cases the introduction of the technologies was accompanied by use of the more valuable hydrocarbon fuels (for example, instead of coal dust in the brick industry).

The profitability of the construction materials industry has improved substantially in the past 3 years. The assets and wage proportional profit was 4.9 percent in 1980 and 6.8 percent in 1981-1982. The profitability of the several branches differs substantially from one to another. The assets and wage proportional profit of the branches in the competitive price form (fine ceramics, glass) reaches 13-14 percent. The profitability of these in the production cost price area (maximized by authority or free) remains a good bit below the branch average--because of the high assets and energy demand.

The reason for this is that in developing prices for most silicate-based construction materials (cement, brick and tile) price policy permits the realization of the continual changes in expenditures only with a certain periodicity. Between price adjustments the increase in costs is balanced by production price supplements.

Already, since the first of January 1983, brick and tile products have received a 35 percent production price supplement while cement products have received a 45.8 percent production price supplement.

Two factors are crucial for the development of the production costs for cement, brick and tile--the current price for fuels, because of the high energy content, and the assets needed for production. At present the energy content per forint of production value is 52 fillers for cement and 43 fillers for brick.

The prices divorced from actual expenditures are not in harmony with the goals of material and energy conservation, because they do not encourage users toward rational thrift with energy-demanding products.

The supports offered in the price make no distinction as to whether users use the products for goals important from a social policy viewpoint (for example, housing construction) or other goals (building a recreational structure, garage, etc.) or whether the user is the populace or the community.

Because of the profitability, kept artificially low, the construction materials prices do not provide the resources needed for developments, thus the new investments appear to be uneconomical. (The profitability of the brick and cement industries does not reach the branch average.)

In recent years there has been a structural modernization increasing the independence of management in the construction materials industry. The Ajka and Parad Glass Factory, producing largely for export, became independent in the glass industry. Independent factories came into being with the abolition of the Fine Ceramics Industry Works. The goal of the structural changes is to have the enterprises adapt more flexibly to the changing quality needs of the populace and of the foreign market.

#### Supply Tension

The number of dwellings built in the Sixth 5-Year Plan can approach what was calculated in the medium range plan only if more dwellings than planned are built from private resources--because of the reduction in state housing construction. The possibility of this will be determined to a large extent by how modern housing construction technologies can be used in private housing construction, in addition to a significant increase in the offering of traditional building materials.

In private housing construction about 22,000 dwellings can be built per year with modern technology and 38,000 can be built in the traditional way.

Products outside the construction materials industry branch (for example, fittings and covering materials) also represent a significant proportion in material supply for housing construction.

Among the chief construction materials domestic production and the planned import will satisfy the needs of the populace in regard to cement, lime products, wall covering tile, ceramic flooring tile, modern ceiling panels, parquet flooring, and asbestos cement shingles.

Supply problems increased from the second half of 1982. The 1983 economic plan prescribed a moderation in state-financed housing construction and an expansion of private housing construction, because of the narrowing of state resources. As a result of the social policy allowances going into effect on 1 January 1983 to encourage private housing construction, the increased credit allotment and increasing improvement in providing lots and utilities, the demand for some construction materials increased greatly.

The situation is most critical in regard to walling materials, fired roof tile, reinforced concrete beams and wood doors and windows. Several measures have been taken to ease the shortages:

--the producing enterprises affected encouraged extra production with wage preferences,

--foreign trade increased import of the short items, and

--reconstruction of a number of factories in the brick industry was begun, the effect of which will appear in 1984.

#### The Needs of the Populace

The high ratio of family house construction presents an increasing demand for building materials. A number of measures are under way at present to improve supply.

A broad product development program has been worked out in the brick industry to satisfy the thermal technology requirements; in the course of this, by the end of the plan period, private housing builders will have 390 million small size units of modern insulating block, which means doubling the present supply.

With the developments serving to increase production of small size brick the plants of the brick industry affected by the investments will be capable of producing more brick beginning in 1984.

The new gas concrete factory of the Light Concrete and Insulating Materials Industry Enterprise will go into production in 1985, which will significantly increase the assortment of walling materials with good insulating properties. The capacity of the factory is equivalent to the production of about five brick factories of medium size. The development in Tapolca to produce 18,000 tons of basalt cotton insulating sheet will be completed this year.

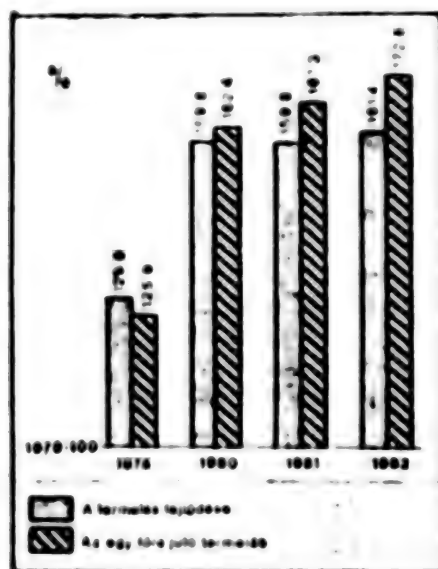
To increase the supply of roofing material they have prescribed the creation of a concrete tile factory with a capacity of 5 million units per year by 1984 and about 30 million units per year by 1985.

The supply of structures to close openings will increase also after completion of developments now under way. As a result of these capacity will be created in 1983-1984 to produce about one million square meters of wood based and PVC coated doors and windows. Parallel with this measures have been taken to build manufacturing capacity for modern locks, hardware, caulking material, paints and putty. Expansion of insulating glass capacity has begun also.

It can be expected from this developmental program that the supply of the chief construction materials will increase significantly and that demand will become balanced over the longer run. In the short run, however, a significant task falls on the enterprises affected to take the technical-economic measures needed for increased exploitation of their existing production capacity.

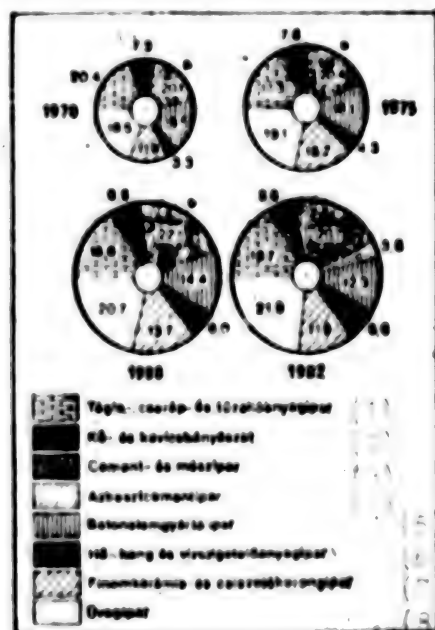


## Development of the Production of the Construction Materials



Key: 1. Development of production  
2. Production per capita

## Production Structure of the Construction Materials Industry



Key: 1. Brick, tile and fire resistant industry  
2. Stone and gravel mining  
3. Cement and lime industry  
4. Asbestos cement industry  
5. Concrete sheet manufacturing industry  
6. Heat, sound and water insulating materials industry  
7. Fine ceramics and grinding wheel industry  
8. Glass industry



PUNDIT SURVEYS ECONOMIC SCENE ON EVE OF PZPR 14TH PLENUM

Warsaw ZYCIE WARSZAWY in Polish 12-13 Nov 83 pp 1,3

[Interview with Prof Czeslaw Bobrowski, chairman of Economic Advisory Council, by Henryk Chadzynski: "What Can We Count On?"]

[Text] [Question] Professor Bobrowski, both the afflictions of the crisis and differences of opinions on the tendencies of economic processes cause the question posed in the title to gain special significance now. What can we actually count on in our economy?

[Answer] I would rather begin with the question: What can we not count on? And so, we cannot count on growth in leaps and, I believe, one does not have to try to persuade the people about this any more today. The illusion that something like this lies within our reach has already died, but one has to keep repeating that patience has not ceased to be a necessity at all. I believe that in order to strengthen this patience it is necessary to avoid totally optimistic announcements, which are made by both journalists and members of the government in the form of moderate exultation. Yet the plans for the years 1982 and 1983 did not express the policy of creating illusions. It is extremely important that, roughly speaking, both these plans have been realized.

[Question] The level of inflation must be a sort of exception, for it is much higher than predicted.

[Answer] This is not the only exception. Generally speaking, however, if we compare the results with the predictions, we will not commit a mistake in wishing the Central Yearly Plan for the next year to strengthen the positive tendencies of the last 2 years, also in the sense of gaining the confidence of public opinion to plan predictions, by similar realism. I am sensitive to this, for I believe that the greatest success of the 3-year plan is the fact that it can be exceeded. The first 2 years indicate that industrial production is in a better shape than predicted. We have also had two good years in agriculture, which is mainly the result of favorable climatic conditions.

A certain tendency to overestimate the possibilities has been gaining ground in this situation and hence I would like to make a kind of appeal to the

competent authorities to resist the temptation to construct so-called optimistic plans, a temptation they did not resist in the previous years. This necessity is even more important if we consider that closer analysis of the indicators of growth achieved in 1983, as compared with 1982, indicates that not everything is going as well as it might seem from a simple estimate. The year 1982 had a dramatic first half and a good second half. While the first months of this year brought a growth rate of 16 percent as compared with the same period of last year, during the following months this indicator was dropping; the growth rate was 4 percent for the month of September, and it might be predicted that there will not actually be even those 4 percent in the fourth quarter.

[Question] What do you consider to be the cause of such a tendency toward smaller growth?

[Answer] The chief reason is the impossibility of maintaining the 1982 speed of growth of imports from the West. And this is due to the burden of debts, which were not liquidated by the recent agreements on postponing the times of payments. The burden of regulating the obligatory payments is still too great for us to make possible the satisfaction of our growing import needs.

[Question] This is a very important factor, but it cannot be the only one.

[Answer] I would say that attaining lower materials savings than anticipated is the second important factor. They were to reach 2.2 percent. This is a lot, if we consider that savings of this type are not possible everywhere and thus such an average result must include much better effects in those fields where they are possible. The estimate of the possible savings in the whole of the economy can never be accurate. This is actually an open prognosis. It only provides the basis for estimating how far the actual result is from the desired one.

[Question] How should one behave in view of the statement that materials savings were smaller than planned, however?

[Answer] One might say that enterprises have not taken advantage of the possibilities and that they can still do much to make up for the delays. One might also state that the problem is very difficult, and I tend to believe in the latter thesis.

[Question] There still remains the problem of employment and efficiency.

[Answer] The factor that helped us achieve the growth of industrial production was undertaking work on Saturdays. Some commentations, probably for pedagogical reasons, have emphasized insufficient increase in the efficiency of labor. If, however, we consider the difficulties in supplies, the state of the machine park which, besides the human factor, also influences labor efficiency, then what has been achieved in this field is not bad at all.

[Question] What prognosis can be made for the future, however?

[Answer] Pessimists can say that the next year may not be as good in this respect. The state of the machines will deteriorate. The discipline of labor is improving, but is it really possible to achieve so much? The reserve in the form of Saturday work has been utilized to a considerable extent already. The question of better organization of labor remains, but gains in this field are slow, especially since no preparations have been made so far to achieve significant results. Thus, on the basis of an analysis of the factors mentioned above I can only say: beware of optimism.

[Question] There is another important factor--capital projects.

[Answer] The investment process is not going as anticipated. Central capital projects have not been realized and capital projects of enterprises have been exceeded. I feel that the planners are not happy about it. I would also be unhappy if I were sure that the assumptions in this field were faultless, but I am not, in fact. After all, capital projects of enterprises belong to two types: newly undertaken ones and those inherited from the past, passed to the enterprises to be completed in areas which are especially important for the economy. Analysis indicates that the newly undertaken capital projects are very sensible. They consist mainly of purchases of equipment; construction work is of the modernization type and does not drag for years. Generally speaking, the program of new capital projects of enterprises is implemented within not much longer than 1 year.

The situation with central capital projects, which were passed to enterprises, is different. They have been dragging for years and will continue to do so. This is why I do not understand tendencies aimed at giving privileges to central capital projects to the detriment of new capital projects of enterprises. I will add that this tendency is contradictory to the thesis of the necessity of changing the structure of production. It is too early to speak of the restructuring of production if one does not assume changes in current production. Indeed, deeper changes in the production apparatus are impossible, if we consider the present amounts of funds and the huge burden of the so-called involvement in continued capital projects. If we did not do anything new, we would still need 8 years to complete these projects using the available means. We simply lack courage in dealing with the complex of capital projects inherited from the 1970's.

[Question] But surveys and selections of capital projects have been done several times.

[Answer] Something has naturally been given up, but it is a small fraction. This year's new survey of capital projects was concluded by the decision to resume a group of projects; true, it is a small number of projects, but nevertheless the survey resulted in adding instead of subtracting something. One might say that this growth, amounting to 150 million zlotys, is not much compared with the entire involved amount of 3 trillion zlotys, but you cannot add even a pair of socks to a very full suitcase. I understand how difficult a problem this is, but we cannot escape it. And until we solve it,

It will be difficult to expect the process of completing the plants to go better than this year.

[Question] What conclusion can be drawn from this?

[Answer] There can be only one--caution in planning future results and the thesis that patience has not ceased to be a necessity.

[Question] Let us, however, return to the rate of inflation, which was higher than predicted. Has this been the result of not very efficient activity rather than of setting the tasks too optimistically?

[Answer] It has mainly been the result of the latter, I believe.

[Question] Can the mechanisms of inflation be sought mainly in the financial-economic system and the possibilities of taking advantage of its gaps in the enterprises?

[Answer] I do not agree with the often repeated thesis that enterprises have abused their rights within the system in raising salaries. Central decisions, including the central salary regulations, had much greater effects in this respect than movements from below. Both have escaped control, however. Tendencies to salary claims are understandable, but the moment government policy and the system do nothing to create barriers to calm down these claims, nothing remains but raising prices. I would have preferred a slightly higher growth of incomes and prices to have been adopted in the plan. I believe that the actual growth would have been smaller then.

However, the government found itself under pressure from different quarters in this respect. After all, the Sejm also added a lot of money, as compared with the government plans, in the form of various benefits and convenient credits for young couples. Anyway, the forms of creating increased payments were different. Obviously the people would like to get more and more money, even though they are beginning to be aware of the fact that, as a result, achieved nominal values are worth less and less. I once asked an intelligent young person from my circle if he realized that pressure on salaries led to so-called monkey money, which was not covered by goods. "Naturally," I heard him answer, "but I prefer to have larger quantities of this worse money, than to have no money at all." One can understand such an individual approach, but it is a mistake when it is present in the whole of the economy. But the situation is already much better now than it was a year ago. More and more groups of the population, especially the working class, realize that money that is not covered is worth nothing. And so, it seems, we have learned something this year.

[Question] The more so that, after all, inflation processes increase the afflictions of the crisis and its effects on various social groups spread.

[Answer] It is a very delicate problem--how to distribute the burden of the crisis. I will say something that will not gain me favor from the readers. After all, we have had an unusual policy in the field of automobile industry

under the conditions of crisis. During the crisis the automobile park has increased by 10 percent, i.e., at the same rate as if nothing had happened. At the same time there is a lack of gas, spare parts and tires. Such a high supply of new cars affects mainly those who already have cars, since the tires from each new unit would make it possible to maintain operative at least two cars which cannot be used because of the lack of tires.

[Question] However, new cars are a considerable position on the market, an important factor in absorbing money. What do you suggest instead?

[Answer] I will answer this question when the consultation on the question of prices and salaries begins.

[Question] Let us, then, return to the basic question connected with the lack of balance and its effect--fast inflation. How do you estimate the chances of curbing this elemental force?

[Answer] There are two extreme standpoints on this question. Some maintain that speedy improvement can be achieved by decisive moves. Others say that the task surpasses our possibilities and that the process of healing the economy will last for years. I believe both groups to be wrong. I think that we can increase the number of balanced sectors. If it had not been for the explosion of the butter problem, I would say that, apart from meat and processed foods, the food market is, naturally, such a balanced sector, i.e., if we do not have to wait too long for the necessary higher prices. But we have also other examples demonstrating that it is possible to reach a balance quickly in a desperate situation. Take the market of soap and detergents, for instance. Also, a balanced shoe market is well under way.

The situation is worse in the field of textiles, where unfortunately the production cannot be significantly increased without the modernization of the machine park. It is not the lack of raw materials, but a labor shortage which is the limiting factor in this field. We are functioning thanks to female labor. If the situation in the country were as bad as it is said, there would certainly be no lack of people willing to work on the second and third shift. Luckily, however, we have poverty, but not destitution. Women simply cannot endure hard work in our situation and they look for other ways of earning money. Even if other jobs give a smaller income but, e.g., guarantee better access to scarce commodities, it is nowadays a great temptation. If the program of modernization, which was adopted in July and is already in full swing, is constantly put into practice, then there is a chance for improvement in 2 years' time. Problems with clothing will continue until then unless we can afford some considerable import, but this remains rather in the sphere of dreams.

[Question] What, then, may influence the market situation?

[Answer] We can improve it by manipulating the very difficult instrument of regulating demand and supply by means of the movement of prices and incomes, naturally, if this process is controlled and not spontaneous. Two problems will actually remain then. The first is the question of the inflationary



curve, the second--the incomes of the private sector, profiteers and some categories of highly paid employees. I cannot give an opinion on the effectiveness of the tax system as a therapeutic measure. I believe that the effects can be evaluated only after some time. But the most difficult problem is decreasing the incomes created in the sphere which is conventionally called the second economic circuit.

Nobody has any illusions that the struggle with speculation may be effective, though it is necessary. For how are these incomes created? Because of the lack of balance in the market. Thus, restoring the balance on the market stops these phenomena. Hence those who are for the struggle with speculation must speak for rational measures restoring the balance, if they want to be consistent. But I think that the movement of prices should protect the weaker groups and concern mainly those articles which are purchased by the wealthier strata of society. This is, however, also one of the subjects to which I would like to return in ZYCIE WARSZAWY when the discussion of the problem of prices begins.

[Question] Professor Bobrowski, I suggest that we return to the question from the title to end the interview, i.e., what can we actually count on?

[Answer] We can count on a calm growth of the economy, but not a high one. We can expect progress in industry and agriculture, but a lot depends on the climatic conditions in the latter sphere. In industry, on the other hand, it is important to see a clear process of progress in the management of enterprises. Various surveys and questionnaires have demonstrated that such progress is beginning and this is, probably, the basic factor we can count on.

[Interviewer] Thank you for the interview.



FINANCE MINISTER COMMENTS ON CREDIT CRUNCH, RESCHEDULING

Bydgoszcz GAZETA POMORSKA in Polish 8 Nov 83 pp 1, 2

[Interview with Witold Bien, minister of finance, by Andrzej Kruczewski; date, place not given]

[Text] [Question] According to information released at a press conference in October 1981, Poland's liabilities abroad counted in convertible currency stood at 24.5 billion dollars at the end of September 1981. Where does it stand now?

[Answer] GUS [Main Statistical Office] publishes the figures on Poland's debts in its communiques from time to time. At the end of August 1983 Poland's liabilities reached 26.1 billion dollars in both interest and principal.

[Question] Whom do we owe and how much?

[Answer] So called guaranteed obligations, i.e. debts warranted by state-owned insurance companies form the bulk of Poland's payment obligations. Most of it, some 11 billion dollars in all, is owed to sixteen creditors for forming the so called Club of Paris. Poland's main creditors in the Club are the Federal Republic of Germany, the United States, Austria, France and Britain.

Non-guaranteed long- and medium-term liabilities to commercial banks in the West, with which Poland has been negotiating debt rescheduling arrangements make up another item on this list. Poland's indebtedness to those banks stands at some 7 billion dollars. The remaining 7 billion dollars falls to Poland's other creditors in the West. All these liabilities stem from credit agreements that provide for medium- and long-term payment, i.e. due within a period from one year upwards. Besides, Poland has short-term payment obligations to other countries and banks, totaling some 1 billion dollars.

[Question] Representatives of the economic administration keep repeating that Poland is ready to contractually settle the problem of its debt. What does this mean in practice?

[Answer] Poland's representatives maintain they are ready to seek solutions, together with Poland's creditors, that would satisfy all parties concerned. From the Polish point of view, this means solutions that would allow for restoring the country's balance of payments, and which, at the same time, would take into account the possibilities and needs of the Polish economy.

Poland's position on this matter has met with understanding on the part of Western commercial banks. The agreements signed with those banks recently specify a new schedule and terms of repaying the obligations that had fallen due in 1981, 1982 and 1983. An agreement on payments due in 1984 is now being prepared.

Initially, Poland's position also met with understanding on the part of 16 main creditor countries grouped in the Club of Paris. Following negotiations, Poland signed an agreement on rescheduling its debt repayments due in 1981. Alas, the implementation of this contract turned out to be unfeasible because since the beginning of 1982 Western countries have been refusing Poland credits. This was a form of the West's restrictions aimed against this country.

[Question] As the Western governments stopped negotiations, Poland suspended its debt servicing. Who was the loser then, we or they?

[Answer] I have to explain two things. First, Poland has not suspended anything while Western countries limited the availability of credits which in turn significantly changed Poland's payments situation and prevented it from making part of the payments. Secondly, history shows that any restrictions on credits, financial or economic relations are damaging to both the creditor and the debtor. The restrictions have definitely made it harder for Poland to overcome the crisis, especially to store exports and imports to previous levels. But they have also brought negative effects for the countries that used to trade with Poland.

[Question] Next to the settlement of Poland's obligations to its creditors there is the extremely important problem of obtaining new credits. The rationalization of liabilities was much discussed at some point, which was to involve their further growth in the initial period. What is the essence of Poland's credit and economic policy for the years to come?

[Answer] No matter what definitions we use, the essence remains ever the same. Even if we did not pay a cent back and did not take new credits, our debt abroad would keep increasing every year by the amount of interest due, reaching a dangerous level after several years.

It is obvious then, that the settlement of this problem must not be limited to rescheduling of Poland's repayments. The rationalization of liabilities should in practice involve using new reasonable credits to rebuild Poland's production and export capacities. The main point is for Poland to be able to pay off its current interest so it needs not postpone its payments and

pay "interest on interest" in practice. And that has to be attained through economic growth and not only through import cuts.

To attain that growth, it is essential to get new reasonable credits. This method is generally applied throughout the world to help a country out of its payment difficulties. Credits should provide for better supply of materials and an increase of production and exports on the one hand, and should help resume debt servicing to the extent that would help to stabilize the debt first and reduce it next on the other.

[Question] The Western restrictions undoubtedly make it difficult for Poland to repay the debt. Besides, the country has suffered tangible economic losses, coming in the wake of these sanctions. Do you think Poland might obtain some compensation for these losses in the form of credit facilitations?

[Answer] In the negotiations on rescheduling Poland's payments we have been making every effort to secure the best payment terms obtainable under the present conditions. The August agreement with banks provides for more convenient terms, a fact noted by the world press.

As I have already said, the suspension of negotiations with the governments concerned for two years and the refusal of new credits exacerbated the already difficult payment situation and undermined Poland's position in the talks. This will have to be taken into account when resuming negotiations with those governments. When agreeing on the terms, Poland's specific economic and payment situation and the actual assessment of the development of this situation in the future have to be taken into consideration. The terms of rescheduling Poland's debts will be specified in bilateral agreements. This means that the parties concerned will have to take into account the losses and hardships stemming from restrictions.

It is premature however to specify the terms of the future agreements with the governments of the creditor countries.

CSO: 2600/419

# CONVULSIONS AND 'MIDWINTER REALITIES' ON NOVEMBER REFORM COMMISSION MEETING

REPORT TRANSLATED FROM POLISH IN Polish No 48, 27 Nov 83 p 3

REPORT BY COMMENTARY BY MARTIN KUKLINSKI, deputy editor-in-chief of FREEGLAD  
 (REPORT BY-ASKED BY THE Chief Technical Organization; passages en-  
 closed in short lines printed in boldface)

THAT'S THIS YEAR'S NEXT TO LAST MEETING OF THE Economic Reform Commission, during which there was a discussion of the economic reform program modification for the period 1984-1985 and matters related to the contribution of the economic reform mechanisms to the fulfillment of the 1984 National Annual Plan. I must confess, however with mixed feelings. Many of this year's economic performance indicators are better than last year's. It is estimated that industrial output will increase by 6 or 7 percent, and this in a situation where the economic reform doubts were being expressed as to whether industrial output will be at all. Progress is being made in the efficiency of direct factor utilization: materials intensiveness in manufacturing should drop by 10 percent by the end of the year, while energy intensiveness in this sector should drop by 7 percent; over the first three quarters of this year the dependence of manufacturing industries on imported producer goods has declined by 5.2 percent; that is, we are speeding somewhat less time shipping goods from one end of the country to the other.

Let us look at the negative side of things. Product quality ratings are still declining; things are also getting worse when it comes to the highly subtle differentiation of goods as represented by the share of goods manufactured in the selected machine-building industry in total export sales to the west; the output of consumer goods industries is growing at a slower rate than aggregate industrial output; there has been no desirable migration of workers into those branches of industry where they are needed. So, we are faced with a paradoxical situation in which the increase in the level of employment has been accompanied by the 100,000 job vacancies.

It is worth noting that the most important achievement of the Commission's November meeting was the destruction of several myths which served as weapons in the hands of those opposed to the economic reform. Namely, /it is not true/ that enterprises' own decisions made by enterprises are "eating up" their capital and resources, since they are allocating this year as much as 70 percent of their resources for capital expansion purposes; /it is not true/ that

that the capital projects financed by enterprises on their own are distorting the overall structure of capital spending in Poland and contributing to the long-term tying up of capital investment funds, rather enterprises are spending these funds mainly on small-scale modernization projects that can be completed quickly, streamlined management programs, and also projects designed to enhance social welfare benefits and occupational health and safety.

So, if things went this well at this meeting, why all the mixed feelings?

The commission members pointed out that both the pervasiveness of inflation and also the degree to which the public is sensitive to inflation had been underestimated--not as a deliberate economic policy, but rather as a by-product of unexpected events. It was even proposed that a task force should be set up to draft sociological studies on the economic reform, thereby bringing professional debates on these matters back within the parameters delineated by the social goals of economic activity. For example, on the subject of the vicissitudes of milk--from the cow to a cube of butter--one of the participants in this meeting's discussion period pointed out how the unchanged organizational structure of the economy, a legacy of the years when everyone was obsessed with the idea that bigger is better, is conducive to inflation. And this is exactly where the problem lies.

The critical question that needs to be asked is--what are the limits of the gains to be made by manipulating economic levers that have an impact on enterprises without bringing about any more profound changes in the yardsticks used to measure economic performance? The view expressed during the discussion period is the effort that we are really operating within the framework of the old system that has been subjected to some minor cosmetic touch-ups may have been overly pessimistic. This view was refuted by the meeting's own formal agenda which called for a discussion (postponed until December due to lack of time) of the draft anti-trust law, the economic and social consequences of which are still hard to foresee. At several points, however, the discussion returned to the issue of "governmental reform at the center," that is, the restructuring of governmental agencies so that they are better equipped to represent general public interests in an environment where the zloty will have the same uniform value everywhere. At the close of the meeting, the opinion expressed that it does not matter how many ministries there are, rather what matters is that these ministries should know how to do their jobs according to a new style, that is, without issuing detailed orders to the enterprises themselves. However, this is just one side of the coin. This is because the breakdown of votes--and interests--on the Council of Ministers is not going to be without significance when it comes to macroeconomic decisions, that is, those kinds of decisions which shape the network of relationships affecting the performance of autonomous enterprises.

It might strike one as being rather odd that this discussion period, which went on for a period of several hours, was not attended by a representative of the Planning Commission. This may be the very reason why there was so much talk at this meeting about the need for consistency between the economic reform program and economic policymaking.

## METEOROLOGIST DISCUSSES DROUGHT PROBLEMS

Warsaw ZYCIE GOSPODARCZE in Polish No 47, 20 Nov 83, pp 6-7

[Interview with Dr. Maciej Sadowski, Director of the Office of Agrometeorological Forecasts, Institute of Meteorology and Water Management, Warsaw, by Andrzej Zalewski: "The Water Drama: Drought"; date and place not specified]

[Question] This is the second year of the shortage in precipitation, leading not only to temporary drying of soil, once in a while mollified by smaller rainfalls, but currently also a hydrological drought—a drop in the water level in rivers and ground water table. Hydrological droughts often persist for several years and leave permanent economic effects on farming, industry and communal services. We are beginning to suspect that something is changing in our climate. It seems as though our sky is spilling the last drops of its water reserves.

[Answer] This is correct if we are only talking about current observations. However, we often tend to forget older events. If we are talking about climate rather than the weather, we should remember the slow pace of change measured by millennia. I can take at random the data for 1500, when in the Kingdom of Poland and throughout Europe there was an unprecedented drought. The rivers dried up, forests were burning, harvesting was started before St. John's night...

[Question] Almost like in 1983.

[Answer] In old calendars and important chronicles, we find records of such events, confirming the climatologists' adage that there is nothing new in the weather. Do you remember the rainy year of 1960?

[Question] Did acid rain already exist at that time?

[Answer] Wait a while. We are talking about natural phenomena, the realities of nature. These realities in effect suggest that about two years ago there appeared a relatively rare tendency for decline of precipitation both in the summer and winter. The causes are the blockade by a high-pressure front above the Eastern Atlantic and Western Europe. It cuts off the influx of moist air from over the Central Atlantic to Europe. A blockade by polar highs exerts a similar influence. At times, when this northern blockade shifts further east, a larger amount of moist air squeezes in, but only to a small patch--the western



[Answer] This happened last spring, when we had warm and dry air while it was raining over Western Europe. In the winter, on the other hand, we observe the reverse situation--the decline of polar highs resulting in warm and dry winters. These are not altogether new phenomena, because they have happened before--for instance, in the late 20's and the early 30's and also in the first decade of this century. You certainly have heard older people talking about the beautiful summers and real winters. These are confirmations from the memory of people still alive.

We assume that the southern high blockade is caused by a zone of subsidence of high pressure in the tropical zones. On the other hand, the northern blockade depends on the harsh winters over the North Pole. If the winter is cold and the air is frozen, the high remains strong throughout the spring and summer. As I said, lately, these highs have begun to disappear.

[Question] Of course you want to convince me that everything has already existed at some time, and yet during the 35 years of my work as a reporter and as many years that I have been in contact with your institute, my experience seems to suggest to me that in a long time we didn't have a decade where snow was so scarce during the winter and rain in summer--and this is what we have been having since 1972.

[Answer] Many climatologists now believe that 1968-72 was a turning point in the planet's climatic evolution. This is also the time when we witnessed a decline of agricultural production growth rate, there appeared energy problems and other crisis phenomena. However, we are very cautious in voicing such opinions, and it must be heavily qualified. What we do know for sure is that the periods of dryness and drought occur both in summer and in winter. The years of 1904, 1915, 1917, 1920, 1929 and 1951 were periods of two to three years of drought, and it is appropriate to recall significance those particular periods had in our history and economic and social life. Were these just coincidences?

[Question] In school we were told that Poland is a country of moderate and temperate climate. Do you think that this moderate-temperature climate is beginning to be characterized by an extremely variable weather pattern--from floods to nearly African droughts?

[Answer] This is true. We are now mainly affected by southern circulation. Previously, the zonal or latitudinal circulation was predominant, but now this is ending. Hence, these contrasts. Our weather is shifting from the "east-west" axis to the "north-south" axis. If this rhythm of weather formation becomes established, our economy will require major technical expenditures and proper decisions in the technological sphere, because we will have to equip our industry, agriculture and urban infrastructure both for drought and flood conditions. This will call for irrigation and drainage installations, river regulation with dams and sluices, minor and major water retention facilities--that is, thousands of small water collectors on rivers and ponds that we have long ago discharged into the sea. Who knows? Maybe we are now faced with a program of building ponds all across the nation for cattle raising and water retention. We will have to ensure high quality of

running water for water supplies, which at any point in time could carry a high flood wave. In other words--although exaggerating--we will have to be now like Holland, now like California, Saudi Arabia or Israel.

Our climate is also undergoing changes caused by man's activities. Even especially--we in Poland can no longer equate the drought that occurred 200 or 300 years ago with each current or future drought. Not only are the habits of us now, but the urbanization of the nation, the development of various industries have resulted in overall drainage of land. We also know that the construction of each residential area results in a lowering of the water table. A new water supply system means that more water is consumed, and this is the place in a community that has not yet been taught to conserve water. What ever bothers us to use a shaving bowl rather than shaving with the faucet running?

[Question] This is a good point, but there are even better examples, such as standpipes open in factories for no good reason and never turned off. Who ever hears about the use of water meters and high water prices? All we need is to follow, for instance, the example of Vienna, where the water in the municipal supply system is of the highest quality. It comes from the Alps. However, shaving at the faucet there would be a luxury.

[Answer] Another example. There is the disconcerting advance of desert and semidesert zones further south. As recently as in the 19th century, the Great Poland area was a swamped, wooded and generally moist territory. Now it is becoming a zone of lowest precipitation and water table levels. Latitudinally, it stretches from Gorzow, through Konin, Kutno, Wloclawek, Warsaw, up to Ostroleka, Iom and Siedlce. Fortunately, the drainage of the Biebrza swamps has been stopped; that would definitely increase the invasion of this zone further to Puszcza Bialoweska and eastern into Soviet Belorussia.

On this territory, which, remarkably, fits, by the meridional direction, into the north-south weather system, we no longer have periodic droughts as described by the patriarch of Polish hydrology, Professor J. Lambor. Drought here is continuous, even despite floods on rivers such as the Warta.

[Question] So you share the view that the Kujawy is turning into a steppe?

[Answer] There are various views on this, but it should be borne in mind that the nefarious advance of the desert into the south has been going on for several thousand years and has been producing deadly effects. At this point we can make a comparison: in Poland we observe the early stage of this process. A slightly stronger stage also positioned along the parallel can be seen in Yugoslavia, Greece, Rumania and Hungary, where the deforestation has produced heavy erosion and irreversible degradation of arable soil. A zone of even greater destruction is the Middle East and North Africa. The Tigris and Euphrates region, the territory of present-day Syria at some time was the territory exploited by Imperial Rome. This was Rome's granary and one of its power. Werner Raith, in a fascinating book "The Fallen Empire," demonstrates convincingly that the cutting off of Rome from the grain sources in conquered oriental lands eventually led to the downfall of the empire.

previously was inconceivable. Now the Arab nations, with their oil dollars, are trying to make up for the blunders of their forefathers and colonial lords. There is also the fourth stage of this process of total destruction. It is the group of nations in the Sahel zone in Africa where pastures dry out and no trees have grown for a long time. People and cattle perish. There we have a complete ecological disaster currently underlined by the war in Chad. Water bags have no less strategic importance there than armored tanks.

We now have four phases of danger. Poland is still in the first stage. Will we protect ourselves from subsequent stages?

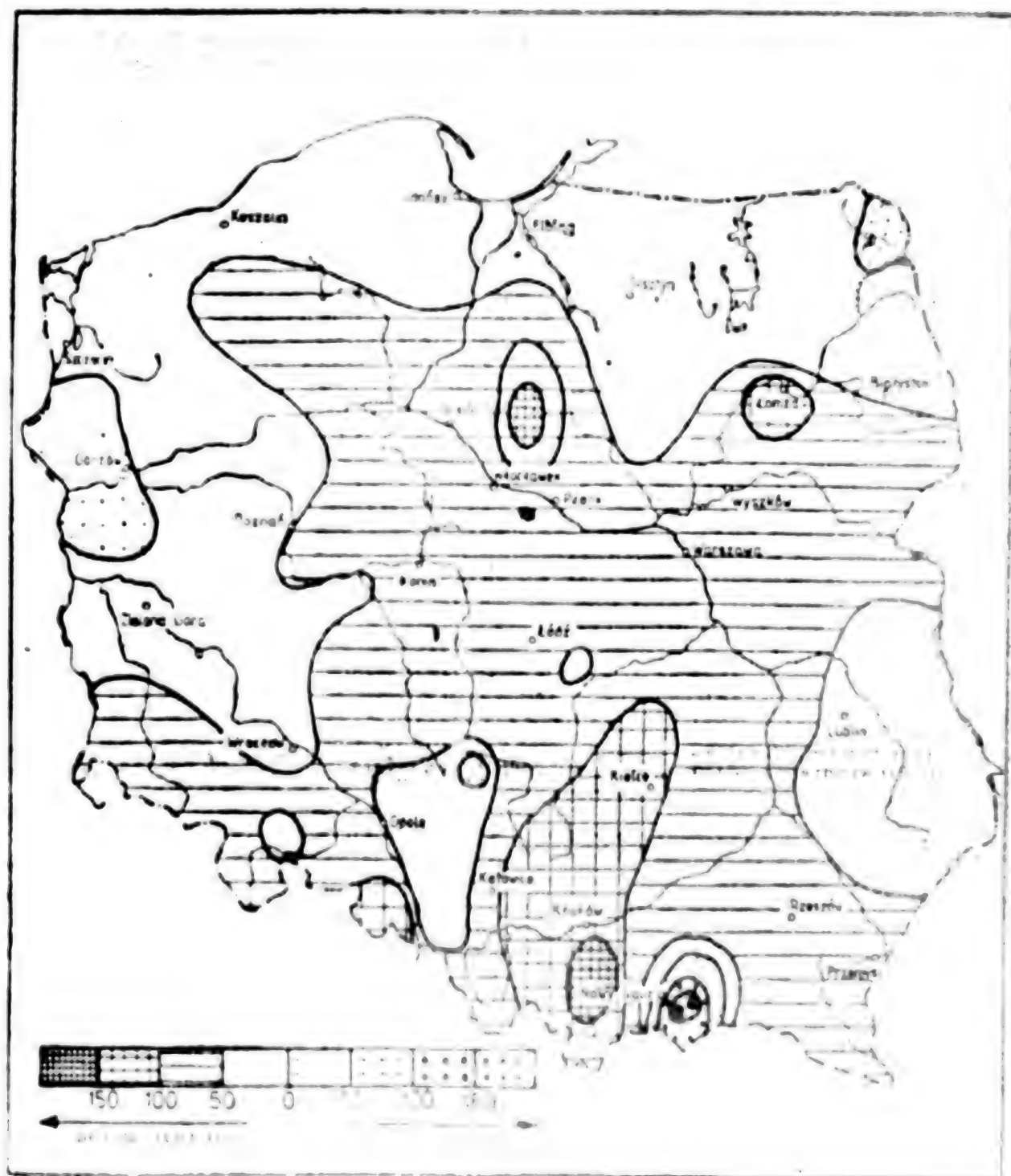
[Question] During the drought we measure its scale, report it and try to fight it, but all this occurs only in fields and partly meadows. There is, however, a conspiracy of silence and total inactivity as regards the drought in forests --unless there is a forest fire. Yet, the forests are drying.

[Answer] Only people devoid of imagination fail to realize the importance of forests for life and civilization. The forests purify the air, attract rains and retain moisture. Unfortunately, because of man's activity, the desert zone is now extending to ever-larger territories in Europe and Africa. Many nations are protecting themselves effectively, while others are guilty of incredible frivolity and ignorance.

[Question] When we look at weather records over the past centuries--and over the past hundred years we have a complete record--it seems that floods are registered more often than droughts. Were they really less frequent, or do they cause less problems to people and were not deemed worthy of perpetuation for the next generation? Could it be that it is not drought but excessive water that associates with the shortage of farm products?

[Answer] You are forgetting that farming droughts occur only in the soil and often pass unnoticed, especially since dry weather is favorable for preserving and drying crops. The current drought, however, is already hydrological and is destroying the structure of arable soil layers and lowering the table of available water. This kind of drought already has negative effects on the production--both agricultural and industrial. The delicate biosphere cannot withstand industrialization, which fails to take into account the degree of waste. We refuse to realize that the discharge of surface waters from Poland in the Baltic Sea is increasing systematically, while the amount of rainfall is dwindling, we are retaining a small amount of precipitation, while economic conditions have destroyed the existing network of small water dams. Poland retains the smallest amount of surface water among CEMA nations, and certainly in Europe. We are discharging into old river and stream courses ever more effluents and used or unused water, which frequently comes from very deep water-bearing layers that take millions of years to renew.

Just visualize the scenario of the disaster of Poland's water economy. The level of ground waters in Poland is low, the lowest in 20 years for this season--as is clearly seen on the map--and this is in the fall when seasonal industries are at operation peaks--sugar mills, distilleries, potato mills and others. They all use large amounts of water. For instance, in the



Mapa województw i powiatów w Polsce (stan na 1.1.1950 r.)

Kujawy area, dams are built on rivers and streams supplying water to factories. But all effluents are channeled into dry river beds. River beds become not only dried-filled gutters, but they spread all kinds of human and animal infections. We will have to stop these factories. This is not science fiction. This is the reality of 1983. I don't know what use we will have for sugar if we have no water. The levels on water gauges are so low that the entire gauge is exposed. The gauges on Pilica, Bzura and subsidiaries of the Warta and Odra read simply "dry."

[Question] Two and three years ago, you were one of the first to warn about drought, in contrast to official weather forecasts. For that reason, your warnings were thrown into the trash bin. But why did you make a mistake when you predicted that this summer there would be an interruption in the drought?

[Answer] I made this mistake, because I used the method of statistical analogies and therefore proceeded from past years that confirm certain correlations in the weather pattern. I am now returning to my method, even though it is not always valid, and is only applicable to specific situations. This method, which is used by certain climatologists in the world, links surface temperatures of the Atlantic with agricultural drought in Poland. The temperature of the Atlantic waters has been lower than the average for several years, which usually correlates with a drought in Poland. Another predictor is high barometric pressure in winter and in summer. When there is high pressure during winter, this is an indicator that in summer (though not always) one should expect a drought.

[Question] Why don't we try to write down your prediction?

[Answer] The winter will be more or less normal. Precipitation will be below the norm, and the temperature will be normal or slightly lower. The shortage of precipitation will be aggravated and may bring about more trouble than this year.

Generally, I believe that the dynamics of economic development in 1970-75 should be blamed not only on the life on credit but also on shortages of rainfall and groundwater in the country. We are now returning to the model of the 1930's. We are entering a period of permanent water shortage, according to predictions of many specialists, which should be now pulled out of the files and read again.

[Question] Could fall and spring bring some rainfall?

[Answer] My forecasts do not cover these two seasons. The weather then is too variable to predict.

[Question] Thank you for the interview.



## ROZIC DISCUSSES ECONOMY AT SAWPY CONFERENCE

LD212324 Belgrade TANJUG Domestic Service in Serbo-Croatian 1347 GMT 21 Dec 83

[Text] Belgrade, 21 Dec (TANJUG)--The task of the Socialist Alliance is to unite all working people and citizens and all creative forces in the implementation of the resolution on the socioeconomic development of the country for the coming year, Marjan Rozic stressed in his introductory speech at today's session of the SAWPY Federal Conference. It is our task to see that that document, which is at present being coordinated in the SFRY Assembly, should not be a copy of those from earlier years, but that in its directions it should open up perspectives for associated labor, incapacitating administrative and stimulating self-managing activity. The resolution must be an expression of common interests, coordinated in a democratic, delegate procedure. And when it is adopted, it becomes a commitment for everyone, and not merely for the federal organs. No one has the right, Rozic emphasized, to act in opposition to the agreed policy of stabilization, because this would mean acting against his own and the common interests.

Rozic then stressed that, following a long period of stagnation, industrial production in the 11 months of this year, as compared with the same period last year, has grown by 0.5 percent. There has also been a slight growth in income realized on the foreign market, but all this is still inadequate. In order for next year to be even more successful, he added, it is necessary to coordinate in the assembly as soon as possible the outstanding questions on the basic directions of the development policy, and in particular on the energy balance of the country, prices, price disparities and inflation, general and joint consumption, the budget of the federation, the foreign exchange policy and foreign exchange system, and other questions of the credit and monetary policy. It is also essential to adopt stands on the application of the law on guaranteeing mutual payments from 1 January next year.

Initial results on the stabilization course, according to Rozic, do not mean that the main sources of economic instability and high inflation have been overcome. This is why the aims contained in the proposed resolution are directed toward economic activity. That is also why it should not be adopted under the pressure of time and at the expense of quality.

The Socialist Alliance advocates that delegates in the SFRY should find the best possible stabilization solutions when it is a question of the essential



...which have been ... are ... important, ... the stability of the ... of foreign ... for the most essential

... emphasized, it is ... of the political system, ... the transformation of administrative ... realization of the constitutional ... It is essential to abandon the ... temporary and linear solutions ... in order to liberate the con- ... attention should also be devoted to ... Yugoslav market and in exchange ... that we declared a decisive war on ... this is one of the most dangerous mines ... also rid ourselves of ... justified by price increases and ... with the aim of overcoming in- ... had been taken for years, Rožic ... in fact increased inflation.

... that we put a stop to successful state restrictions as well, ... self-managing relations and the ... of labor, eliminating everything which is not rational in this ... idea that stabilization increases ... and more rapid, productive ... temporarily employed abroad.

... which causes a fall in real personal incomes and the ... a part of the population ... existence. In this area, too, ... depicting and dramatizing the existing ... solutions. These lie primarily in increasing earn- ... and also in the redistribution of existing income. So- ... must contribute to it and also

... Rožic noted, ... all activities which reflect the ... to struggle for ... At the same ... possibilities. Some ... and there are those ... of the present situation. People ... high price rises, ... the work of certain organs ... the SAWP in all ... in order for us to ... we are not together, Rožic ... from positions opposed

## FOREIGN TRADE SECRETARY ON 1983 FIGURES

10210930 Belgrade TANJUG in English 1815 GMT 20 Dec 83

[Text] Belgrade, 20 Dec (TANJUG)--Yugoslav total commodity exports in 1983 will be about one percent higher and imports 1.5 percent lower than last year, Yugoslav Secretary for Foreign Trade Milenko Bojanic announced here today (Tuesday).

The country's trade deficit will thus be reduced by some 430 million dollars compared with 1982 and the coverage of its imports by exports will increase from 77 to 81 percent, Bojanic said.

In a press conference, Bojanic said that Yugoslavia would increase its exports to the hard-currency market by 16 percent and reduce imports from the area by 6.5 percent so that its trade deficit with the relevant countries would amount to some 2 billion U.S. dollars, or 41 percent less than a year ago. This deficit could even fall below this figure, approaching the planned trade deficit with the convertible currency area of about 1.7 billion dollars, he added.

Bojanic said that in 1984 Yugoslavia could increase its exports by further 16 percent and imports by 7 percent on account of its positive performance this year, the revival of domestic production and favorable forecasts for world trade in general.

Next year the country's exports to the convertible currency area could rise by 20 percent and imports from it by some 8 percent, he said.

This would reduce Yugoslavia's foreign trade deficit of 2.4 billion dollars this year by another 700 million dollars. In 1984, the envisaged coverage of imports by exports will rise from 81 to 86 percent, Bojanic said.

Such a performance in 1984 would create conditions to achieve a balance-of-trade surplus of some 800 million U.S. dollars, he said.

The federal secretary for foreign trade warned, however, that Yugoslavia could not sustain all its foreign obligations without major economic sacrifices even if all the objectives set for 1984. [As published]

Laos therefore counts on a measure of external financial support next year as well but its credits will be smaller than this year. This means that it plans a reduction of its rate of external indebtedness next year, he said.

REF: 2800/125

## DRAGAN CHAIRS FEC SESSION ON ECONOMIC ISSUES

LD151025 Belgrade TANJUG Domestic Service in Serbo-Croatian 1626 GMT 14 Dec 83

[Excerpt] Belgrade, 14 Dec (TANJUG)--Today's session of the Federal Executive Council chaired by Zvone Dragan confirmed standpoints on the observations and proposals made at the end of the first round of coordination in the committees of the Chamber of the Republic and Provinces of the SFRY Assembly to the draft resolution on Yugoslavia's socioeconomic development and economic policy in 1984.

The Federal Executive Council adopted a decision on the temporary extension of the period of validity of the decision on implementing the goals and tasks of the joint issue and monetary policy and of the joint bases of the credit policy in 1983. This decision is temporarily extended to 1984, to the day when the regulation governing the implementation of the goals and tasks of the joint issue and monetary policy and the joint bases of the credit policy for next year comes into force.

With a view to improving market supplies of oil and oil derivatives, the Federal Executive Council approved the importation of 205,000 tons of crude oil and foreign currency funds for the importation of oil derivatives, residual fuel oil and coking coal.

Examining several questions concerning economic relations between our country and foreign countries, the Federal Executive Council was briefed on activities and talks to date with the mission of the International Monetary Fund, the governments of a number of countries and commercial banks to ensure special credit arrangements in 1984.

The council was also briefed on the results of the session of the Yugoslav-F.Y. Economic Council and the activities of the Yugoslav delegation headed by Zivorad Kovacevic, member of the Federal Executive Council.

CSO: 2800/125

## SFRY ASSEMBLY COMMITTEE UNABLE TO ACHIEVE AGREEMENT ON BANK LAW

LD151825 Belgrade TANJUG Domestic Service in Serbo-Croatian 1244 GMT 15 Dec 83

[Summary] Belgrade, 15 Dec (TANJUG)--Not even 6 months has been enough for the Chamber of Republics and Provinces Committee for the credit and monetary system to coordinate the standpoints of the republics and provinces on draft alterations and amendments to the law on the National Bank of Yugoslavia and the unified monetary operation of banks in the republics and provinces. The standpoints of individual delegations and the Federal Executive Council are still firm regarding the articles which regulate the level of compulsory reserves to be held by banks, which has led to the draft being sent back to the proposer for reconsideration. It is interesting that the draft envisages abolishing the requirement for unanimity in decisions at sessions of the Governor's Council on certain questions which directly affect the material position of associated labor while unanimity is sought for certain less important matters.

Delegates were informed at today's committee session on the way in which the problem of varying rates of exchange would be solved. The view of delegates is that a law to be prepared at the start of the year should embrace all rate of exchange differences and not just those which arise in the banks. Those which appear from 1 January will be rectified within the terms of the law on foreign currency transactions which is being coordinated at the moment.

CSO: 2800/125

SFRY ASSEMBLY CHAMBER ADOPTS RESOLUTIONS, LAWS

101704Z Belgrade TANJUG Domestic Service in Serbo-Croatian 134Z GMT 16 Dec 83

[Excerpts] Belgrade, 16 Dec (TANJUG)--The Chamber of Republics and Provinces of the Yugoslav Assembly today adopted a resolution on the development of economic cooperation between the SFRY and developing countries.

In explaining the need to adopt such a resolution, delegate Milovan Markovic stressed that economic cooperation with such countries had been developing very dynamically. Our exports over the past 9 years had increased by 7.2 percent and amounted to \$2.1 billion last year. In this way the share of developing countries in our entire exports increased from 10 percent in 1973 to 20.8 percent in 1982.

The Chamber of Republics and Provinces also adopted a law which enables the organizers of the Winter Olympic Games in Sarajevo to purchase equipment and reproduction material required for the holding of the Olympics without customs duty or other import levies. The chamber decided on the law pertaining to the ratification of the supplementary protocol accompanying the agreement on cooperation between our country and EEC states, following Greece's membership into the community. The law on the ratification of the supplementary protocol accompanying the agreement between our country and the EEC which refers to the buying and selling of coal and steel was also adopted. The delegates decided on the law pertaining to the ratification of the agreement on the guarantee between the SFRY and the IBRD [International Bank for Reconstruction and Development]. This refers to resources for the financing of the hydro-project on the central Neretva river basin. Finally, the law on the super-guarantee of the federation for the obligations of the consortium of our banks for the financing of the Bratstvo-Jedinstvo motorway was also adopted.

100Z 2000Z/1-5



(8)  $\gamma_{\text{H}} = 0.00175$  (75% HCl);  $\gamma_{\text{H}} = 0.00175$  (50% HCl);  $\gamma_{\text{H}} = 0.00175$  (25% HCl).

1487000 = grade: YANJIE Domestic Service. In *Arbeitsmarkt* in 1994, 25, 10, 20, 83

(News) **Prishtina, 16 Dec (TANJUG)**—As a whole, economic trends in the FY 1989 campaign are somewhat more favorable than last year. Realized income and profit income rose up by 45 percent, and losses down by 16 percent; and output re-sults have been achieved in the metal processing, electricity, textile, and construction material industries. Industrial output as a whole, however, while 4 per cent higher than last year, is 12 percent below plan.

During these statistics at today's session of the Frunze LC Municipal Committee, Alex Vlasi, committee president, called for greater accountability in regard to labor and output tasks, and in particular responsibility on the part of management organs and output organizers in several collectives. He also pointed to the quite widespread phenomenon of idleness, indifference, and irresponsibility regarding work. Managerial and self-management organs, party, trade union, and youth organizations must very seriously and specifically draw into the causes of this phenomenon, Vlasi said. He stressed that in the past of shirking, carelessness, and deliberate idleness. Administrative measures must be invoked, including dismissal from the job.

stated that announced that specific measures were being taken to solve the  
 structural crisis in several organizations. At the time, he said, was the  
 1944-1945 period. Kosovo composite examination of economic factors, which con-  
 sidered 10 percent of Pristina's total economic activity. Through real-  
 estate, he said, more electrical power could be produced for the country's  
 needs, too. More coal must be extracted if the Dobro Polje and Gajdarozi mines,  
 he said, the work of power stations, the gas industry, with heating plants, and  
 many other enterprises, not only in Pristina and Kosovo, depend on them.

Mr. [redacted] president of the [redacted] assembly, also gave a very vivid description of the disparity between the internal police violence and the [redacted] that have worked for days because of a [redacted] and the [redacted] that has caused local extraction. He pointed out that [redacted] who have been [redacted] were almost ten-fold, and equipment are so [redacted] and [redacted]. The problem was really to how to [redacted]. There is [redacted] and [redacted] that [redacted] on the part of the [redacted] and [redacted] [redacted], and [redacted] on off at 10 a.m. on [redacted] [redacted]

going to a committee or municipality meeting, and leave the shift to its own devices. This is particularly evident at the Belacevac mine, the projected capacity of which is 10,500,000 metric tons of coal per annum, while it extracts only about 4 million. Quite a few people taking part in hostile demonstrations came from that mine. Since differentiation has not been carried out there, it is not surprising that there have been conveyor malfunctions and other breakdowns, Sekulic said.

Both Vlas and Sekulic called for matters to be sorted out in the Poljoprivredni Industrijski Kombinat [agroindustrial combine] in Kosovo Polje, especially in the slaughterhouse organization of associated labor, where poor organization, idleness, and other subjective weaknesses are very marked.

Finally, the municipal committee empowered its presidium to draw up an operational plan to undertake measures in these and some other labor collectives in which production has for years not been as it should be, while the same people, in the main, are still in charge of them.

At today's session, which was attended by Jure Bilic, member of the LCY Central Committee Presidium, obligations deriving from the decisions of the Executive LC Provincial Committee Presidium relating to halting the exodus of Serbs and Montenegrins were ratified. Since this process is most pronounced in Pristina, the municipal committee charged all party organizations with analyzing the state of affairs in their environment and undertaking measures to halt the exodus and create a climate of trust and security.

OFFICIAL INTERVIEWED ON AGRICULTURAL PRODUCTION PLANS

10261416 Belgrade TANJUG in English 1318 GMT 26 Dec 83

["Pool" item]

[Te-1] Belgrade, 26 Dec (TANJUG)--In 1984, Yugoslavia plans to produce 12 million tons of maize, 6 million tons of wheat, over 8 million tons of sugar-beet, 193 thousand tons of cooking oil and 1.3 million tons of meat, chairman of the Yugoslav Federal Committee for Agriculture Milorad Stanojevic has told TANJUG.

The planned production, 4.3 percent higher than this year's, would enable Yugoslavia to export 2 billion U.S. dollars worth of agricultural products in 1984, Stanojevic added.

The agriculture is a very important branch of the Yugoslav economy which, directly or indirectly through tourism, industry or services, generates over one-half of the social product and accounts for one-fifth of the country's foreign-currency revenues.

The year 1983 has been very good and successful in terms of agricultural production and is popularly called "a rerun of the record 1982" when the largest ever food production in Yugoslavia was recorded.

In 1983, 16 million tons of maize and wheat were produced, 5.7 million tons of sugar-beet and 712 thousand tons of sugar. The vegetable, fruit and grape production was also good. This year's meat production is also expected to equal the 1982, i.e., to reach 1,280 thousand tons.

In 1983 Yugoslavia exported 1.3 billion dollars worth of food. Had it not been for the shortfalls in the exports of meat and dairy products, fruits and vegetables, the value of food exports would have been much higher, Milorad Stanojevic stressed.

The chairman of the Yugoslav Committee for Agriculture views the achieving of a higher growth rate in agricultural production as among the basic tasks of the Yugoslav economy which is fighting a stabilization battle. The average growth rate for the past 3 years has been 3.7 percent.

Stanojevic drew attention, however, that not even the past several bumper years had perceptibly reduced the decades-long discrepancy between the demand for agricultural products and the supply. The supply is one-third short of the demand.

The main precondition for stabilizing the food market and prices in Yugoslavia lies in a higher production of goods, Stanojevic maintains. He urges a policy of prices which would stimulate producers to sell more. On the other hand, it is necessary to reduce the production costs so as to make retail prices acceptable to the consumer, Stanojevic pointed out.

Timely imports of necessary raw materials and semi-manufactures and the easing of protectionist measures in food-importing countries would help achieve this objective, Stanojevic said. Food-importing countries keep narrowing the possibilities for the marketing of virtually all major agricultural and food products Yugoslavia can offer to foreign buyers, he added.

CSO: 2800/125

## FEDERATIVE COUNCIL DISCUSSES SOCIAL PLAN, MARKET SUPPLIES

100-110 Belgrade TANJUG Domestic Service in Serbo-Croatian 1145 GMT 24 Dec 83

[100-110] Belgrade, 24 Dec (TANJUG)--At its session yesterday, the Federal Executive Council, chaired by Zvezde Dragan, determined the draft program of work connected with preparation and adoption of Yugoslavia's social plan for 1986-90, as a basis for obligatory cooperation with the republics and provinces. Preparation and adoption of Yugoslavia's plan, as well as the plans of socio-political communities and self-managing organizations and communities for 1986-90, will be carried out by implementing the first phase of the long-term program of economic stabilization. This should represent one of the most important forms of the entire realization of this program. As announced, activities connected with the preparation of Yugoslavia's social plan and the plans on all other subjects, must therefore be fully coordinated with the commitments obtained in the long-term program of economic stabilization. In this sense, Yugoslavia's social plan for 1986-90 represents an elaboration of the second phase of the long-term program of economic stabilization. Bearing in mind the character of Yugoslavia's long-term plan, it is necessary to ensure that it will be the result of direct participation by associated labor and that it will reflect the widest fellowship, interests and aims of the working class of Yugoslavia.

At the same time the council determined the proposed program of work concerning preparation and adoption of Yugoslavia's long-term social plan for 1986-90, that is, for certain fields until [words indistinct] as a basis for obligatory cooperation with the republics and provinces.

The Federal Executive Council also determined the agreement on the common bases of the taxation system and decided to submit it, after coordination has been carried out with the competent organs of the republics and provinces, to the republican and provincial assemblies for its conclusion and adoption of uniform measures and activities for a (general) rationalization of commitments in the long-term program of economic stabilization. Once the republics and provinces have concluded this agreement, they will have to adopt conformity regulations in the field of taxes and taxation policy.

The Council determined measures and strategy on capital in 1967, applying the industry with the most important raw materials, reproduction materials, and energy, as well as the population with the most important products. The Council stresses that in order to maintain and increase industrial production it is, among other things, necessary to create conditions for better utilization of the organizations of associated labor into a reproduction whole, thus making possible faster utilization of raw materials and reproduction materials on the united Yugoslav market. A program of gathering and processing secondary raw materials must be elaborated. Measures should be proposed for faster substitution of imported raw materials, reproduction materials and equipment. In this regard, allowances are envisaged in the credit and taxation policy.

The Federal Executive Council considers that the energy situation in the country continues to be serious and that it is necessary to speed up investments into those coalmines which will achieve larger and more economical production. Transport organizations must ensure faster transport of coal, while the electro-engineering industry must increase the operational capacity of power stations and speed up the conclusion of energy projects under construction. It is necessary that the oil industry should acquire oil in good time and ensures even supplies to the Yugoslav market. In this respect, it is also necessary to more consistently carry out obligations concerning the allocation of resources from the current inflow of foreign exchange for the purchase of energy fuels.

The Council emphasizes that there is continued improvement in supplies to the domestic market of products vital for the population, especially due to increased agricultural production and the acquisition of necessary products through imports. The market could be better supplied if foreign exchange was regularly allocated on the basis of the agreement which ensures foreign exchange for the import of certain products. The Council will undertake measures to eliminate these shortcomings in the future, as well as to conclude in good time the self-management agreements concerning the implementation of this agreement next year. The Federal Executive Council will also undertake measures to ensure in good time the necessary raw materials and reproduction materials from imports.

The Federal Executive Council considered an additional proposal concerning implementation of the plan for purchase of railway vehicles (seinska vozila) for the Yugoslav Railways in 1967. The Council assessed that, among other things, about 5 billion dinars should be made available by self-management agreement between the banks for the purchase of domestically-produced railway vehicles.

As for economic relations with foreign countries, the Council emphasizes the present course of negotiations with international institutions and other foreign partners about new special financial-credit arrangements for next year, in keeping with the proposed policy of foreign indebtedness.



SECRET

SLOVENE DAILY COMMENTS ON PRICE RISKS

AU271232 Ljubljana DELO in Slovene 24 Dec 83 p 1

[Joze Petrovic commentary: "Price Increases, but..."]

[Text] The Federal Executive Council admitted in March--when it adopted a similar package of price increases to last night's--that it has no proper weapon to stop inflation. Its representatives later clearly stated that the price freeze that was in force in the first half of the year did not settle anything and that in fact it even strongly accelerated the growth of inflation in the second half of the year. Since that, the federal government has not accepted any other price measures, which demonstrates that it has not worked out any price policy and that it has not succeeded in fulfilling its anti-inflation program. More than a year ago, when it decided in favor of the previous price freeze, it promised that it would prepare an appropriate price policy. A few days ago Zvone Dragan, vice president of the Federal Executive Council, assured the federal assembly that the Federal Executive Council will propose a new price policy, which led one to expect that a blueprint for tackling inflation has been drawn up after all. The price increases and the price freeze imposed last night, however, confirm the suspicion that this is not so. The Federal Executive Council is indeed promising that next year it will adopt a number of economic measures to curb inflation, but the question nevertheless arises of how it will be able to take steps in the field of prices in the coming months when it has been unable to do so up to now. It has promised, however, and the galloping inflation simply calls for it.

We are aware that the price differences (disparities) have to be eliminated. We know that price increases are therefore necessary. But with price increases alone we do not eliminate anything that causes inflation. One cannot eliminate price differences in an administrative way. One cannot solve the economic position of enterprises with prices set in this way. One cannot eliminate inflation by pushing up prices. Until we succeed in eliminating the hotbeds of inflation, such Federal Executive Council packages will keep being repeated.

CSO: 2800/125

SIRY: 1984 ELECTRIC POWER PLAN ADOPTED

LEDBROOK Belgrade TANJUG in English 2107 GMT 27 Dec 83

[Text] Belgrade, 22 Dec (TANJUG)--Under the 1984 plan adopted by the Yugoslav electric power industry community today (Thursday), hydro- and thermo-electric power plants in Yugoslavia will generate next year about 73 billion kWh of electricity. The community's assembly noted, however, that an additional 3 billion kWh of electricity will be needed to meet the demand in full--meaning practically that power saving measures will continue to be

to ensure the above quantity, some 50 million tons of coal and 1.5 million tons of heavy fuel oil must be provided, so that the thermo-electric power plants may generate enough electricity to supplement the quantities to be generated by the hydro-electric ones. The latter are much dependent on weather conditions, i.e., rainfalls which were exceptionally scanty this year.

To alleviate the power shortage, the thermo-electric power plants will have to work at fully capacity, and those among them which use coal will be in operation for up to 6,000 hours or twice the average in other countries.

During the past few days, the country's electric power situation has improved considerably owing to a sudden rise in temperature and melting of the snow blanket. As a result, the reservoirs of many hydro-electric power plants have begun to fill up and restrictions have been partly lifted. But the water level in reservoirs still does not guarantee an easy winter when electric power is concerned.

Weather forecasts for the latter half of January are not very favorable. A new spell of cold weather forecast for the period indicates it may even reduce the inflow of water thus lessening the chances for larger amounts of electricity to be generated by hydro-electric power plants.

(40) (2500/12)

YOUNG LADY

## FRONT-LOADED, UTILITY-SCALE SOLAR POWER PLANT

**100-0000** *encl* **1986-01** Service in Serbo-Croatian 1400 GNT 20 Nov 86 5A

He said: "Yesterday alone the Krsko nuclear power plant four times raised the average water temperature to well above the permitted level. This is the most important detail from a report issued today by the Croat Republican Committee for Energy, Industry, the Crafts and Mining about the impact which the Krsko nuclear power plant has on its environment. Tomislav Kremer reports:

(End of our recording) It is true that assessments differ to some extent depending on who their author is. According to data released by the nuclear power plant, the temperature of the water was raised by 4.6 degrees centigrade while the increase in temperature according to the republican committee for water was only 4 degrees centigrade. However, the Croat Republican Hydro-meteorological Institute and the Croat Republican Water Board claim that on several occasions the Sava was warmer than its normal water temperature by 1 to 2 to 3 degrees centigrade. The consequence was that fish died. Even dead fish--most resilient species--were found because they could not withstand the salt shock. However, it should not be forgotten that this happened when the Sava River water level was very low and at a time when electric power from Ersko was at a nil point in order to avoid even heavier reductions. Virtually no radiation increase has been noted and there is no direct threat to the operations of our first nuclear power plant. [End recording]

 $\sigma_{\text{M}} = 0.124$

# SEVERAL SIGNIFICANT CHANGES IN RURAL CLASS STRUCTURE

SEVERALAS: ZAKONITOSTI POLJOPRIVREDNE PROIZVODNJE, PRERADE I PLASMANA [The Regularity of Agricultural Production, Processing and Investment]  
 [1] 41140-80, 71 (p. 5-8)

Article by Stipe Suvar: "Some Signs of the Demographic Recovery of the Village"<sup>7</sup>

[Text] Some of the historical processes in the Yugoslav village have already taken place. It may come to the end. We have to take this into account in our sociological, demographic, and all other studies of the village and in predicting events in it.

In line with this comment, it seems to me that most of the preconceptions and concepts of our rural sociology, which was fresh and productive at the time of its appearance in a more modern form about 20 years ago, are possibly already routine and conventional, and that to a great extent they sound worn out. We have to proceed from the fact, which can be easily verified, that the peasant in this country, as in few others in the modern epoch, wanted to change, and that he has for the most part achieved this. By a modern farmer has not arrived in this region.

Let us recall the classical concepts that being a peasant is a way of life, while being a farmer is an occupation; or Mendrasov's differentiation of the mentality of the peasant, who produces for himself and also produces for others (self-sufficiency), and the mentality of the modern farmer, who produces exclusively for the market and acquires everything he needs from the market.

For the most part, we have not gotten this type of farmer to replace the peasant, but explaining why is a long story. Some elements in the behavior of the modern farmer are shown by about 10 percent of the people who remain in their property, and in one way or another they are oriented toward commodity production.

<sup>7</sup>An authorized presentation by Stipe Suvar at the section on the Village in the symposium "Economic and Sociopolitical Development of the Theoretical Discussion on the 'Thought and Work of Edvard Kardelj,'" which was held in Osijek on 27 and 28 February 1983, and was organized by the "Edvard Kardelj" Yugoslav Center for the Theory and Practice of Self-Management in Ljubljana.

... and still ... Furthermore, ... is appearing, ... since ... but a ... regardless ... which they work ... at the coast ... and all ... cities ...

... ..

... already sound routine and ... with the subject ... of the classical ... since we simply no longer have a ... that we repeat that ... in the undeveloped regions ... especially in isolated ... in the smallest ... and these ... a third of our villages, and we ... according to the official ... a settlement is an anthropogeographic unit with a ...

... appeared. A quarter ... which are considered ... 162,000 are ... and most of them will perhaps remain ... difficulties they will ... somewhere ... to study ... one ... There are also 10,000 people with a ...

... as agricul- ... We could even ... life is ...

... agriculture, and ... Take the area around Krantj. ... inhabitants. Krantj itself has 75,000 inhabitants. ... the most remote settlement is ... the ... that they ... and where ...

... The spatial redistribution of the population has not been completed, ... the fact that three-fourths of the settlement ... The process of the spatial relocation of the ... is no longer taking ... transfer from agriculture to industry. Instead, ... through the educational system. And the ... do not move from rural to urban settlements ... spatial systems are formed in which clear boundaries ... disappear, with some larger or smaller city in the middle ... empty zones remain, which are ... rural areas remain without transportation, but these ... should also study these processes of spatial ...

... The Rural City ...

... encounter the "emptying" of the village, at the same time a return ... but not a return by urbanized persons to some sort of ... life exists anymore. When the urbanite ... remain an urbanite in the cultural and social ... the urbanite is also beginning to live in the village. This ... industrialized and urbanized countries, and it has ... but also an economic one. In our ... the fact that it is taking place in the life of ... to the city, and at the same time began ... Split, which developed as one ... Yugoslavia. Today Split is our fifth or ... but it has a pronounced disproportion among its production ... and the influx of the population. There were many ... on Split. One of the main ones was the ... was very undeveloped, like the area of Bosnia- ... toward Split as the closest large center. Then ... moved there. The rural poor from the ... joining the shipyard, port, and construction ... and the service industries. On Saturdays and Sundays, you virtually ... for the kilometers around Split without an automobile ... These are the people who fix up their family home, cultivate ... and raise something. If you ask them, "Why do ... back here where you were born, once you have ... "It's boring in Split, and we come here both to rest and ... village ... was the food of the rural poor and from which they ... to the city and the weekend returnee are ... rarities and specialties.

... published in France in 1953, ... but it was the second or third ... first generation is already doing it. This ... economic significance; it is recreational ... but it is an expression of a tendency ... away from the large cities in our ... a sort of precursor for it.





quarter - a century between 4.5 and 6.5 billion tons. And what happened in that time? Excitation, and we know that by 1951 we finished it, with the last peasant labor cooperatives disappearing around 1950, either dissolved or transformed. We made statements that we had a fantastic leap in total agricultural production from 1949 to 1951. This was the result of the initial start in 1949-1950, with a rapidly expanding the socialized sector, and deepening cooperation. Around 1951, however, for some reasons, it subsided and the development of agriculture virtually stood still. We abandoned cooperatives, and we are still referring to them today. But agricultural properties have been broken off, there has been no real linkage in the agroindustrial complex, and cooperation has been more or less reduced to purchase and sale relationships. At the same time, on a theoretical level we proclaimed the association of farmers, saying that they would be linked to the socialized sector, that they would enter associated either on an equal footing, and that tomorrow they would be equal to the workers in associated labor. But this developed to a rudimentary extent, existing only in the entire country. This is bypassed primarily by those whom it does not affect - concrete social entities in the production, processing, and trade of agricultural products. Broader social forces are not behind it. The solution is being searched for in the cooperative sector and the cooperative movement will fight for this by transferring activists into it.

#### The Shortcomings of the Social Sector

It appears that socialist projects have failed the practical test in agriculture everywhere, and we have been comforting ourselves for some time by saying that it will not happen to us, but shortages of food and much else have appeared in increasing as well. In spite of all our stories about the agroindustrial complex, one of the reasons why this is happening to us is possibly the fact that we underestimated the significance of socialized agriculture as an agent of change in rural industry and consumption. Industry and large-scale consumption organized in cities can serve better as agents of change in rural agriculture and in agriculture as a whole than the agricultural farms themselves, but we linked the citizens of socialization to them. In fact, the process of socialization has still not been linked to the industry of agricultural equipment and supplies, from artificial fertilizer to protective equipment, or to supplying tourism, or to supplying the large cities. Thus, too much was expected from this one agent of change, not to mention the fact that the socialized farms committed themselves to high accumulation in farming and completely wrote off livestock raising.

Livestock raising on a family farm is mentioned as one of the great weaknesses alone, but rather within a solid system of socioeconomic relations existing in the processors and the consumers. But the open market in this combination of size is a great illusion. An open market leads to a village market, circulating goods, accidents, and disruptions.

As a commodity system, the family farm can exist only if it is linked to large markets, but only under the condition that the latter are not constantly changing and leaving the farm in the lurch. Thus an income linkage and relationship to those who are being sought, and not an open market, in which the small producer of production will get out of his obligations whenever he wants.

and leave the individual producer in the lurch, not taking his products, since he will at that time it may not pay in view of the state of the market. What we really need is an organized social market for agricultural products with a relationship to the family farm.

People talk about how the mixed farm is a transitional phenomenon. It is. But I am afraid that it is also a long-lasting transitional phenomenon. Someone said that we have the most mixed farms. No, Japan has more of them, and it is the most industrially developed country. We must therefore also count on the aspect of the mixed farm. This is linked to the question of who the land will be left to, how much of a limit there will be and for whom, and who will be the collectors of the land. In order for us to have enough food, we have to have well-organized production in the social overhead on about 4.5 million hectares. And we are slowly approaching this--the standstill in expansion of the area under cultivated cultivation has lasted for 20 years. And while this is the case, we also have to orient the mixed farm toward self-consumption and free marketing of surpluses, if it wants this and has a material interest. This part-time job in agriculture, just like the phenomenon of the private plot in the USSR in China, is significant everywhere, and will be so for a long time in Yugoslavia as well.

#### *Educating the farmer*

Recently Nikola Djubčić, traveling in the interior of Serbia, said that every municipality should feed itself. I agree with his view, and not only the light of the concept of a national war. If every municipality were able to feed itself, the basic foodstuffs not under specific cultivation would have to be produced in its area, so that there would be enough of them to feed its population. Wheat, meat, milk, eggs, vegetables, etc.

These days, for example, Split cannot get meat for anything, and there is also a catastrophic situation with the supply of milk. And last year, in the greatest panic, Split's leaders got into a plane and flew off to Stip to find milk and meat there! But for 30 years Split has been allowing production to collapse in the Imotsko, Sinjsko, and Duvacko fields. Is Split the only one to have the problem of grazing 2,000 cows on three fields and having someone milk them there? This is those local dimensions and ties.

We have also spoken here about the movement to have production on a family farm accepted, and to have it accepted as well by those who have not fallen into the process of education and deagrarianization. And someone said that farmers no longer need education, that they are already educated enough. 'Rubbish! Denmark, the Netherlands, the Scandinavian countries, all the countries that developed on the basis of farmer agriculture, also have farmers with university educations. But in Yugoslavia production on one's own land may be accepted by some individual who has failed in education and on the way to deagrarianization.

If we organized a social movement to have people with an average or high degree of training accept an agricultural occupation on a family farm, but within these social ties and with the certainty of income and maximum profitability, we would achieve much more than by much greater investments in the development of the agroindustrial complex, which are not yielding results or showing little profit.

Let me say something about the maximum. It is not a problem to raise the maximum in Yugoslavia. We can raise it to 20 or 50 hectares, but we would not really solve the social problems of food production and the development of the village and agriculture. We would only temporarily exacerbate some processes in the village. And this would have to be brought up--some people would become legal accumulators of land.

Poland has a limit of 50 hectares, and it is starving. In Yugoslavia, however, the secret is that if we ensured marketing for these 200,000-300,000 commodity producers and supported them in everything through social policy to produce well and profitably, we could leave everything else to head toward self-consumption and a private plot, to head toward additional farming and the free marketing of surpluses. And that would create room for a further expansion of the socialized sector.

9909

CSO: 2800/66

## BRIEFS

SERBIA'S ELECTRICITY SHORTAGE--The United Power Generating Industry of Serbia has drawn up a plan of production, import, and consumption of electricity for each day to the end of the year. According to this analysis, the republic's consumers will be short of 24.8 percent of electricity daily on average. All electricity distribution centers have already been informed about this so that they could organize the electricity supply for their consumers in time. [Text] [Belgrade POLITIKA in Serbo-Croatian 4 Dec 83 p 10 AU]

BOSNIA-HERCEGOVINA ELECTRICITY SHORTAGE--Sarajevo--The precipitation in the SR of Bosnia-Herzegovina during the past few days has had no essential influence on the electricity situation in the republic. The reservoirs are practically completely empty. The situation has been made worse by the breakdown of a generating unit of 200 megawatts in the Tuzle thermoelectric powerplant. Power cuts have again been in force since last Thursday. Special consumers received a consumption plan according to which they can obtain 20 percent of electricity less than they need. Other consumers and households have had power cuts of 8 hours in every 24 hours since the same day. [Summary] [Zagreb VJESNIK in Serbo-Croatian 2 Dec 83 p 4 AU]

LJUBLJANA-BELGRADE-LARNACA FLIGHTS--On 1 December, an Inex Adria Aviopromet plane will leave Ljubljana via Belgrade for Larnaca. This is the first and only international route of the Ljubljana airline. A 167-seat plane will leave Ljubljana every Thursday at 1010 hours, land at Belgrade and arrive at Larnaca at 1520 local time. The plane will leave Larnaca at 2100 hours, arrive at Belgrade at 2300 HOURS and Ljubljana at 0100 hours on Friday. [Summary] [Zagreb VJESNIK in Serbo-Croatian 11 Dec 83 p 8 AU]

CSSR ECONOMIC DELEGATION--A Czechoslovak economic delegation led by Jozef Volos, director of the State Planning Commission for Ferrous Metallurgy and Machine Building [name and title as published], yesterday visited the 11 October Factory of Welded Tubes Structural Sections in Kumanovo. On this occasion, talks were held on opportunities for expanding cooperation in the production and sale of tubes for oil pipelines and gas pipelines, as well as on supply of rolled metal strips. [Text] [Skopje NOVA MAKEDONIJA in Macedonian 4 Dec 83 p 3 AU]

FALL SOWING BELOW PLAN--Belgrade, 8 Dec (TANJUG)--The plan of fall wheat sowing of 1,552,000 hectares has been fulfilled only 91 percent, that is, only 1,409,000 hectares have been sown, which is 143,000 hectares less than planned. According to data presented at the session of the Yugoslav Committee for the Coordination of Agricultural Works, the best results have been achieved in Vojvodina where 309,600 hectares have been sown with wheat, which is 96.7 percent of the plan, and the worst results in Serbia--366,000 hectares, or 82 percent of the plan. [Summary] [Belgrade BORBA in Serbo-Croatian 9 Dec 83 p 1 AU]

YUGOSLAV-ROMANIAN TRADE PROTOCOL--Belgrade--The session of the Yugoslav-Romanian Mixed Commission for Commodity Trade concluded in Belgrade today with the signing of the protocol on the exchange of commodities and services in 1984. The protocol, which was signed by Metodij Smilevski, assistant federal secretary for foreign trade, and Gheorghe Antonescu, Romanian deputy minister of foreign trade, envisages a considerable increase in the exchange of commodities and services in 1984 as compared to this year. [Excerpt] [Belgrade BORBA in Serbo-Croatian 9 Dec 83 p 7 AU]

YUGOSLAV-FRENCH FINANCIAL COOPERATION--Paris--Janko Smole, member of the Federal Executive Council visited yesterday Jacques Delors, French minister of economy and finance. The long talk, in which Tarik Ajanovic, assistant federal secretary for foreign affairs, and Dusan Popovski, SFRY ambassador in Paris, also participated, dealt with financial cooperation of the two countries and the participation of France in the international activity of support to Yugoslav economic stabilization. [Excerpt] [Belgrade BORBA in Serbo-Croatian 10-11 Dec 83 p 7 AU]

YUGOSLAV OFFICIAL VISITS OECD SECRETARY--Paris--Janko Smole, member of the Federal Executive Council yesterday visited Emile van Lennep, OECD secretary general. The lengthy conversation dealt with questions pertaining to the further contribution of this organization to the stabilization measures of Yugoslav economy. Views were also exchanged on the possibilities of furthering cooperation between Yugoslavia and this international organization. [Text] [Belgrade BORBA in Serbo-Croatian 10-11 Dec 83 p 7 AU]

IMPORTED, DOMESTIC OIL IN 1984--Ljubljana, 9 Dec (TANJUG)--At its session in Ljubljana today, the General Association of Organizations of Oil Economy of Yugoslavia, discussing, among other things, the draft energy plan of our country for the next year, assessed that the new proposal of the Federal Committee for Energy and Industry on the imports of 10.6 million tons of oil in 1984 could ensure minimum supplies. Production of domestic oil in the next year would reach about 4.5 million tons. [Excerpt] [Belgrade BORBA in Serbo-Croatian 10-11 Dec 83 p 8 AU]



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